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LEGISLATIVE HISTORY

Public Law 87-581
H. R. 10786

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INDEX AND SUMMARY OF H. R. 10786

Mar. 15, 1962	Rep. Roosevelt introduced H. R. 10786 which was referred to Education and Labor Committee. Print of bill as introduced.
Mar. 21, 1962	Sen. Humphrey introduced S. 1394 which was referred to Labor and Public Welfare Committee. Print of bill as introduced.
Mar. 28, 1962	House committee voted to report H. R. 10786.
Apr. 5, 1962	House committee reported H. R. 10786 without amendment. H. Report No. 1553. Print of bill and report.
Apr. 16, 1962	House passed H. R. 10786 under suspension of the rules.
Apr. 17, 1962	H. R. 10786 was referred to Senate Labor and Public Welfare Committee. Print of bill.
July 3, 1962	Senate committee voted to report H. R. 10786.
July 11, 1962	Senate committee reported H. R. 10786 without amendment. S. Report No. 1722. Print of bill and report.
July 25, 1962	Senate passed H. R. 10786 without amendment.
Aug. 1, 1962	House agreed to H. Con. Res. 506 to provide for correction in enrolled bill.
Aug. 13, 1962	Approved: Public Law 87-581.

DIGEST OF PUBLIC LAW 87-581

WORK HOURS ACT OF 1962. Consolidates existing laws into a single statute relative to the establishment of standards for hours of work and overtime pay of laborers and mechanics employed directly by the Government or in work done under Government contract. Permits laborers and mechanics employed directly by the Federal Government to work in excess of eight hours per day or forty hours per week upon administrative determination that to do so would be in the public interest, provided that overtime work in excess of such hours shall be compensated for at not less than time and one-half for the basic rate of compensation. Repeals provisions of existing law which prohibits the Federal Government or Government contractors or subcontractors from requiring or permitting laborers and mechanics from working more than eight hours per day, except in case of extraordinary emergency. Provides that laborers and mechanics employed by Government contractors or subcontractors shall be paid not less than one and one-half times the basic rate of pay for all hours worked in excess of eight hours a day or forty hours per workweek. (The report of the Senate Committee on the bill states that it is intended that the warehousing and storage programs of the Department of Agriculture will continue to be exempted from coverage by the 8-hour laws.)

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100-100000-100000

H. R. 10786

IN SENATE, FEBRUARY 10, 1910.

REPORT

OF THE
COMMISSIONERS OF THE GENERAL LAND OFFICE,
IN RESPONSE TO A RESOLUTION OF THE SENATE,

PASSED MAY 1, 1898.

A BILL

TO AMEND THE ACT OF MARCH 3, 1879, RELATIVE TO THE
LANDS BELONGING TO THE UNITED STATES,
AND TO PROVIDE FOR THE SURVEY AND SALE OF THE SAME.

87TH CONGRESS
2^D SESSION

H. R. 10786

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 1962

Mr. ROOSEVELT introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Work Hours Act of 1962"
4 and title I may be cited as the "Contract Work Hours
5 Standards Act".

6 SEC. 2. As used in this Act, the term "this Act" means
7 the Work Hours Act of 1962 except in title I, where it means
8 the Contract Work Hours Standards Act.

1 TITLE I—CONTRACT WORK HOURS STANDARDS
2 ACT

3 SEC. 101. As used herein, the term "Secretary" means
4 the Secretary of Labor, United States Department of Labor.

5 SEC. 102. (a) Notwithstanding any other provision of
6 law, the wages of every laborer and mechanic employed
7 by any contractor or subcontractor in his performance of
8 work on any contract of the character specified in section
9 103 shall be computed on the basis of a standard workday
10 of eight hours and a standard workweek of forty hours,
11 and work in excess of such standard workday or workweek
12 shall be permitted subject to the provisions of this section.
13 For each workweek in which any such laborer or mechanic
14 is so employed, such wages shall include compensation, at
15 a rate not less than one and one-half times the basic rate
16 of pay, for all hours worked in excess of eight hours in any
17 calendar day or in excess of forty hours in the workweek,
18 as the case may be.

19 (b) The following provisions shall be a condition of
20 every contract of the character specified in section 103 and
21 of any obligation of the United States, any territory, or
22 the District of Columbia in connection therewith:

23 (1) No contractor or subcontractor contracting for any
24 part of the contract work which may require or involve the
25 employment of laborers or mechanics shall require or permit

any laborer or mechanic, in any workweek in which he is employed on such work, to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek except in accordance with the provisions of this Act: and

(2) In the event of violation of the provisions of paragraph (1), the contractor and any subcontractor responsible therefor shall be liable to such affected employee for his unpaid wages and shall, in addition, be liable to the United States (or, in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages as provided therein. Such liquidated damages shall be computed, with respect to each individual employed as a laborer or mechanic in violation of any provision of this Act, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by this Act. The governmental agency for which the contract work is done or by which financial assistance for the work is provided may withhold, or cause to be withheld, subject to the provisions of section 104, from any moneys payable on account of work performed by a contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabili-

ties of such contractor or subcontractor for unpaid wages and liquidated damages as herein provided.

SEC. 103. (a) The provisions of this Act shall apply, except as otherwise provided, to any contract which may require or involve the employment of laborers or mechanics upon a public work of the United States, of any territory, or of the District of Columbia, and to any other contract which may require or involve the employment of laborers or mechanics if such contract is one (1) to which the United States or any agency or instrumentality thereof, any territory, or the District of Columbia is a party, or (2) which is made for or on behalf of the United States, any agency or instrumentality thereof, any territory, or the District of Columbia, or (3) which is a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work. Except as otherwise expressly provided, the provisions of the Act shall apply to all laborers and mechanics, including watchmen and guards, employed by any contractor or subcontractor in the performance of any part of the work contemplated by any such contract, and for purposes of this Act, laborers and mechanics shall include workmen performing services in connection with dredging or rock excavation in any river or harbor of the

1 United States or of any territory or of the District of Colum-
2 bia, but shall not include any employee employed as a
3 seaman.

4 (b) This Act shall not apply to contracts for transporta-
5 tion by land, air, or water, or for the transmission of intelli-
6 gence, or for the purchase of supplies or materials or articles
7 ordinarily available in the open market. This Act shall not
8 apply with respect to any work required to be done in ac-
9 cordance with the provisions of the Walsh-Healey Public
10 Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

11 SEC. 104. (a) Any officer or person designated as in-
12 spector of the work to be performed under any contract of
13 the character specified in section 103, or to aid in the en-
14 forcement or fulfillment thereof shall, upon observation or
15 investigation, forthwith report to the proper officer of the
16 United States, of any territory or possession, or of the
17 District of Columbia, all violations of the provisions of this
18 Act occurring in the performance of such work, together
19 with the name of each laborer or mechanic who was required
20 or permitted to work in violation of such provisions and the
21 day or days of such violation. The amount of unpaid wages
22 and liquidated damages owing under the provisions of this
23 Act shall be administratively determined and the officer or
24 person whose duty it is to approve the payment of moneys

1 by the United States, the territory, or the District of Colum-
2 bia in connection with the performance of the contract work
3 shall direct the amount of such liquidated damages to be with-
4 held for the use and benefit of the United States, said terri-
5 tory, or said District, and shall direct the amount of such un-
6 paid wages to be withheld for the use and benefit of the
7 laborers and mechanics who were not compensated as re-
8 quired under the provisions of this Act. The Comptroller
9 General of the United States is hereby authorized and di-
10 rected to pay directly to such laborers and mechanics, from
11 the sums withheld on account of underpayments of wages,
12 the respective amounts administratively determined to be
13 due, if the funds withheld are adequate, and, if not, an equi-
14 table proportion of such amounts.

15 (b) If the accrued payments withheld under the terms
16 of the contracts, as aforesaid, are insufficient to reimburse all
17 the laborers and mechanics with respect to whom there has
18 been a failure to pay the wages required pursuant to this
19 Act, such laborers and mechanics shall, in the case of a
20 department or agency of the Federal Government, have the
21 rights of action and/or of intervention against the contractor
22 and his sureties conferred by law upon persons furnishing
23 labor or materials, and in such proceedings it shall be no
24 defense that such laborers and mechanics accepted or agreed

1 to accept less than the required rate of wages or voluntarily
2 made refunds.

3 (c) Any contractor or subcontractor aggrieved by the
4 withholding of a sum as liquidated damages as provided in
5 this Act shall have the right, within sixty days thereafter, to
6 appeal to the head of the agency of the United States or of
7 the territory for which the contract work is done or by which
8 financial assistance for the work is provided, or to the Com-
9 missioners of the District of Columbia in the case of liqui-
10 dated damages withheld for the use and benefit of said Dis-
11 trict. Such agency head or Commissioners, as the case may
12 be, shall have authority to review the administrative deter-
13 mination of liquidated damages and to issue a final order
14 affirming such determination; or, if it is found that the sum
15 determined is incorrect or that the contractor or subcon-
16 tractor violated the provisions of this Act inadvertently not-
17 withstanding the exercise of due care on his part and that
18 of his agents, recommendations may be made to the Secre-
19 tary that an appropriate adjustment in liquidated damages
20 be made, or that the contractor or subcontractor be relieved
21 of liability for such liquidated damages. The Secretary shall
22 review all pertinent facts in the matter and may conduct
23 such investigations as he deems necessary, so as to affirm or
24 reject the recommendation. The decision of the Secretary

1 shall be final. In all such cases in which a contractor or
2 subcontractor may be aggrieved by a final order for the with-
3 holding of liquidated damages as hereinbefore provided, such
4 contractor or subcontractor may, within sixty days after such
5 final order, file a claim in the Court of Claims: *Provided,*
6 *however,* That final orders of the agency head, the Commis-
7 sioners of the District of Columbia or the Secretary, as the
8 case may be, shall be conclusive with respect to findings of
9 fact if such findings are supported by substantial evidence.

10 (d) Reorganization Plan Numbered 14 of 1950 (15
11 F.R. 3175; 64 Stat. 1267) shall be applicable with respect
12 to the provisions of this Act, and section 2 of the Act of
13 June 13, 1934, as amended (48 Stat. 948, 54 Stat. 1236,
14 63 Stat. 108; 40 U.S.C. 276c), shall be applicable with re-
15 spect to those contractors and subcontractors referred to
16 therein who are engaged in the performance of contracts
17 subject to the provisions of this Act.

18 SEC. 105. The Secretary may provide such reasonable
19 limitations and may make such rules and regulations allow-
20 ing reasonable variations, tolerances, and exemptions to and
21 from any or all provisions of this Act as he may find neces-
22 sary and proper in the public interest to prevent injustice
23 or undue hardship or to avoid serious impairment of the con-
24 duct of Government business.

25 SEC. 106. Any contractor or subcontractor whose duty

it shall be to employ, direct, or control any laborer or mechanic employed in the performance of any work contemplated by any contract to which this Act applies, who shall intentionally violate any provision of this Act, shall be deemed guilty of a misdemeanor, and for each and every such offense shall, upon conviction, be punished by a fine of not to exceed \$1,000 or by imprisonment for not more than six months, or by both such fine and imprisonment, in the discretion of the court having jurisdiction thereof.

TITLE II—MISCELLANEOUS AND EFFECTIVE DATE

SEC. 201. The proviso of section 23 of the Act of March 28, 1934 (48 Stat. 509, 522), as amended, is hereby amended to read as follows: "*Provided*, That the regular hours of labor are hereby established at not more than eight per day or forty per week, but work in excess of such hours shall be permitted when administratively determined to be in the public interest: *Provided further*, That overtime work in excess of eight hours per day or in excess of forty hours per week shall be compensated for at not less than time and one-half the basic rate of compensation, except that employees subject to this section who are regularly required to remain at or within the confines of their post of duty in excess of eight hours per day in a standby or on-call status shall be paid overtime rates only for hours

1 of duty, exclusive of eating and sleeping time, in excess
2 of forty per week.”

3 SEC. 202. (a) Section 1499 of title 28, United States
4 Code, is hereby amended to read as follows:

5 **“§ 1499. Liquidated damages withheld from contractors**
6 **under Contract Work Hours Standards Act**

7 “The Court of Claims shall have jurisdiction to render
8 judgment upon any claim for liquidated damages withheld
9 from a contractor or subcontractor under section 104 of
10 the Contract Work Hours Standards Act.”

11 (b) The Court of Claims shall continue to have juris-
12 diction to render judgment upon any claim for a penalty
13 withheld from a contractor or subcontractor under section
14 324 of title 40, United States Code, in connection with any
15 contract subject to said section existing on the effective
16 date of this Act, or thereafter entered into pursuant to
17 invitations for bids that are outstanding at the time of the
18 enactment of this Act.

19 SEC. 203. The following statutes are hereby repealed:
20 Sections 1 and 2 of the Act of August 1, 1892 (27 Stat.
21 340; 40 U.S.C. 321, 322), as amended by the Act of March
22 3, 1913 (37 Stat. 726) ; sections 892 and 893 of the Act
23 of March 3, 1901 (31 Stat. 1334; D.C. Code, 1961 edition,
24 secs. 22-3407, 3408) ; the Act of June 18, 1912 (37 Stat.
25 137; 40 U.S.C. 324, 325), as amended by the Act of June

1 25, 1948 (62 Stat. 989) ; that portion of the Naval Service
2 Appropriation Act, 1918 (Act of March 4, 1917, 39 Stat.
3 1192), which is codified as section 326 of title 40 of the
4 United States Code (1952 edition) ; and section 303 of the
5 Second Supplemental Defense Appropriations Act, 1941 (54
6 Stat. 884; 40 U.S.C. 325a) . The provisions of such statutes
7 shall, notwithstanding, continue to apply with respect to
8 contracts existing on the effective date of this Act or entered
9 into pursuant to invitations for bids that are outstanding at
10 the time of the enactment of this Act.

11 SEC. 204. This Act shall take effect sixty days after
12 its enactment, but shall not affect any contract then existing
13 or any contract that may thereafter be entered into pursuant
14 to invitations for bids that are outstanding at the time of the
15 enactment of this Act.

A BILL

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

By Mr. ROOSEVELT

MARCH 15, 1962

Referred to the Committee on Education and Labor

87TH CONGRESS
1ST SESSION

S. 1394

IN THE SENATE OF THE UNITED STATES

MARCH 21, 1961

Mr. HUMPHREY (for himself and Mr. KUCHEL) introduced the following bill;
which was read twice and referred to the Committee on Labor and Public
Welfare

A BILL

To establish standards for hours of work and overtime pay of
laborers and mechanics employed on work done under con-
tract for, or with the financial aid of, the United States, for
any territory, or for the District of Columbia, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Work Hours Act of 1961"
4 and title I may be cited as the "Contract Work Hours
5 Standards Act".

6 SEC. 2. As used in this Act, the term "this Act"
7 means the Work Hours Act of 1961 except in title I,
8 where it means the Contract Work Hours Standards Act.

1 TITLE I—CONTRACT WORK HOURS STANDARDS
2 ACT

3 SEC. 101. As used herein, the term “Secretary” means
4 the Secretary of Labor, United States Department of
5 Labor.

6 SEC. 102. (a) Notwithstanding any other provision of
7 law, the wages of every laborer and mechanic employed by
8 any contractor or subcontractor in his performance of work
9 on any contract of the character specified in section 103
10 shall be computed on the basis of a standard workday of
11 eight hours and a standard workweek of forty hours, and
12 work in excess of such standard workday or workweek shall
13 be permitted subject to the provisions of this section. For
14 each workweek in which any such laborer or mechanic is so
15 employed, such wages shall include compensation, at a
16 rate not less than one and one-half times the basic rate of
17 pay, for all hours worked in excess of eight hours in any
18 calendar day or in excess of forty hours in the workweek, as
19 the case may be.

20 (b) The following provisions shall be a condition of
21 every contract of the character specified in section 103 and
22 of any obligation of the United States, any territory, or the
23 District of Columbia in connection therewith:

24 (1) No contractor or subcontractor contracting for any
25 part of the contract work which may require or involve the

1 employment of laborers or mechanics shall require or permit
2 any laborer or mechanic, in any workweek in which he is
3 employed on such work, to work in excess of eight hours
4 in any calendar day or in excess of forty hours in such work-
5 week except in accordance with the provisions of this Act;
6 and

7 (2) In the event of violation of the provisions of
8 paragraph (1), the contractor and any subcontractor re-
9 sponsible therefor shall be liable to such affected employee
10 for his unpaid wages and shall, in addition, be liable to the
11 United States (or, in the case of work done under contract
12 for the District of Columbia or a territory, to such District
13 or to such territory) for liquidated damages as provided
14 herein. Such liquidated damages shall be computed, with
15 respect to each individual employed as a laborer or mechanic
16 in violation of any provision of this Act, in the sum of
17 \$10 for each calendar day on which such individual was
18 required or permitted to work in excess of eight hours or
19 in excess of the standard workweek of forty hours without
20 payment of the overtime wages required by this Act. The
21 governmental agency for which the contract work is done
22 or by which financial assistance for the work is provided
23 may withhold or cause to be withheld, subject to the pro-
24 visions of section 104, from any moneys payable on ac-
25 count of work performed by a contractor or subcontractor,

1 such sums as may administratively be determined to be nec-
2 essary to satisfy any liabilities of such contractor or sub-
3 contractor for unpaid wages and liquidated damages as
4 herein provided.

5 SEC. 103. (a) The provisions of this Act shall apply,
6 except as otherwise provided, to any contract which may
7 require or involve the employment of laborers or mechanics
8 upon a public work of the United States, of any territory,
9 or of the District of Columbia, and to any other contract
10 which may require or involve the employment of laborers
11 or mechanics if such contract is one (1) to which the United
12 States or any agency or instrumentality thereof, any ter-
13 ritory, or the District of Columbia is a party, or (2) which
14 is made for or on behalf of the United States, any agency
15 or instrumentality thereof, any territory, or the District of
16 Columbia, or (3) which is a contract for work financed in
17 whole or in part by loans or grants from, or loans insured
18 or guaranteed by, the United States or any agency or in-
19 strumentality thereof under any statute of the United States
20 providing wage standards for such work. Except as other-
21 wise expressly provided, the provisions of the Act shall
22 apply to all laborers and mechanics, including watchmen and
23 guards, employed by any contractor or subcontractor in the
24 performance of any part of the work contemplated by any
25 such contract, and for purposes of this Act laborers and

1 mechanics shall include workmen performing services in
2 connection with dredging or rock excavation in any river or
3 harbor of the United States or of any territory or of the
4 District of Columbia, but shall not include any employee
5 employed as a seaman.

6 (b) This Act shall not apply to contracts for trans-
7 portation by land, air, or water, or for the transmission of
8 intelligence, or for the purchase of supplies or materials or
9 articles ordinarily available in the open market. This Act
10 shall not apply with respect to any work required to be done
11 in accordance with the provisions of the Walsh-Healey
12 Public Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

13 SEC. 104. (a) Any officer or person designated as
14 inspector of the work to be performed under any contract
15 of the character specified in section 103, or to aid in the
16 enforcement or fulfillment thereof shall, upon observation or
17 investigation, forthwith report to the proper officer of the
18 United States, of any territory or possession, or of the District
19 of Columbia, all violations of the provisions of this Act occur-
20 ring in the performance of such work, together with the
21 name of each laborer or mechanic who was required or per-
22 mitted to work in violation of such provisions and the day or
23 days of such violation. The amount of unpaid wages and
24 liquidated damages owing under the provisions of this Act

1 shall be administratively determined and the officer or per-
2 son whose duty it is to approve the payment of moneys by
3 the United States, the territory, or the District of Columbia
4 in connection with the performance of the contract work shall
5 direct the amount of such liquidated damages to be with-
6 held for the use and benefit of the United States, said terri-
7 tory, or said District, and shall direct the amount of such
8 unpaid wages to be withheld for the use and benefit of the
9 laborers and mechanics who were not compensated as re-
10 quired under the provisions of this Act. The Comptroller
11 General of the United States is hereby authorized and
12 directed to pay directly to such laborers and mechanics, from
13 the sums withheld on account of underpayments of wages,
14 the respective amounts administratively determined to be
15 due, if the funds withheld are adequate, and if not, an equi-
16 table proportion of such amounts.

17 (b) If the accrued payments withheld under the terms
18 of the contracts, as aforesaid are insufficient to reimburse all
19 the laborers and mechanics with respect to whom there has
20 been a failure to pay the wages required pursuant to this
21 Act, such laborers and mechanics shall in the case of a de-
22 partment or agency of the Federal Government, have the
23 right of action and/or of intervention against the contractor
24 and his sureties conferred by law upon persons furnishing
25 labor or materials, and in such proceedings it shall be no de-

1 fense that such laborers and mechanics accepted or agreed
2 to accept less than the required rate of wages or voluntarily
3 made refunds.

4 (c) Any contractor or subcontractor aggrieved by the
5 withholding of a sum as liquidated damages as provided in
6 this Act shall have the right within sixty days thereafter
7 to appeal to the head of the agency of the United States
8 or of the territory for which the contract work is done or by
9 which financial assistance for the work is provided, or to
10 the Commissioners of the District of Columbia in the case of
11 liquidated damages withheld for the use and benefit of said
12 District. Such agency head or Commissioner, as the case
13 may be, shall have authority to review the administrative
14 determination of liquidated damages and to issue a final
15 order affirming such determination; or, if it is found that
16 the sum determined is incorrect or that the contractor or
17 subcontractor violated the provisions of this Act inadvert-
18 ently notwithstanding the exercise of due care on his part
19 and that of his agents, recommendations may be made to
20 the Secretary that an appropriate adjustment in liquidated
21 damages be made, or that the contractor or subcontractor
22 be relieved of liability for such liquidated damages. The
23 Secretary shall review all pertinent facts in the matter and
24 may conduct such investigations as he deems necessary, so
25 as to affirm or reject the recommendation. The decision of

1 the Secretary shall be final. In all such cases in which a
2 contractor or subcontractor may be aggrieved by a final
3 order for the withholding of liquidated damages as herein-
4 before provided, such contractor or subcontractor may,
5 within sixty days after such final order, file a claim in
6 the Court of Claims: *Provided however*, That final orders
7 of the agency head, the Commissioners of the District of
8 Columbia, or the Secretary, as the case may be, shall be
9 conclusive with respect to findings of fact if such findings
10 are supported by substantial evidence.

11 (d) Reorganization Plan Numbered 14 of 1950 (15
12 F.R. 3175; 64 Stat. 1267) shall be applicable with re-
13 spect to the provisions of this Act, and section 2 of the
14 Act of June 13, 1934, as amended (48 Stat. 948; 54
15 Stat. 1236; 63 Stat. 108; 40 U.S.C. 276c), shall be ap-
16 plicable with respect to those contractors and subcontractors
17 referred to therein who are engaged in the performance of
18 contracts subject to the provisions of this Act.

19 SEC. 105. The Secretary may provide such reasona-
20 ble limitations and may make such rules and regulations
21 allowing reasonable variations, tolerances, and exemptions
22 to and from any or all provisions of this Act as he may
23 find necessary and proper in the public interest to prevent
24 injustice or undue hardship or to avoid serious impairment
25 of the conduct of Government business.

1 SEC. 106. Any contractor or subcontractor whose duty
2 it shall be to employ, direct, or control any laborer or
3 mechanic employed in the performance of any work contem-
4 plated by any contract to which this Act applies, who shall
5 intentionally violate any provision of this Act, shall be
6 deemed guilty of a misdemeanor, and for each and every
7 such offense shall, upon conviction, be punished by a fine
8 of not to exceed \$1,000 or by imprisonment for not more
9 than six months, or by both such fine and imprisonment,
10 in the discretion of the court having jurisdiction thereof.

11 TITLE II—MISCELLANEOUS AND EFFECTIVE
12 DATE

13 SEC. 201. The proviso of section 23 of the Act of March
14 28, 1934 (48 Stat. 509, 522), as amended, is hereby
15 amended to read as follows: "*Provided*, That the regular
16 hours of labor are hereby established at not more than eight
17 per day or forty per week, but work in excess of such hours
18 shall be permitted when administratively determined to be
19 in the public interest: *Provided further*, That overtime work
20 in excess of eight hours per day or in excess of forty hours
21 per week shall be compensated for at not less than time and
22 one-half the basic rate of compensation, except that em-
23 ployees subject to this section who are regularly required to
24 remain at or within the confines of their post of duty in
25 excess of eight hours per day in a standby or on-call status

1 shall be paid overtime rates only for hours of duty, exclu-
2 sive of eating and sleeping time, in excess of forty per week.”

3 SEC. 202. (a) Section 1499 of title 28, United States
4 Code, is hereby amended to read as follows:

5 **“§ 1499. Liquidated damages withheld from contractors**
6 **under Contract Work Hours Standards Act**

7 “The Court of Claims shall have jurisdiction to render
8 judgment upon any claim for liquidated damages withheld
9 from a contractor or subcontractor under section 104 of the
10 Contract Work Hours Standards Act.”

11 (b) The Court of Claims shall continue to have juris-
12 diction to render judgment upon any claim for a penalty
13 withheld from a contractor or subcontractor under section
14 324 of title 40, United States Code, in connection with any
15 contract subject to said section existing on the effective date
16 of this Act, or thereafter entered into pursuant to invitations
17 for bids that are outstanding at the time of the enactment
18 of this Act.

19 SEC. 203. The following statutes are hereby repealed:
20 Sections 1 and 2 of the Act of August 1, 1892 (27 Stat.
21 340; 40 U.S.C. 321, 322), as amended by the Act of
22 March 3, 1913 (37 Stat. 726) ; the Act of June 18, 1912
23 (37 Stat. 137; 40 U.S.C. 324, 325), as amended by the
24 Act of June 25, 1948 (62 Stat. 989) ; that portion of the
25 Naval Service Appropriation Act, 1918 (Act of March 4;

1 1917, 39 Stat. 1192) which is codified as section 326 of
2 title 40 of the United States Code (1952 edition) ; and
3 section 303 of the Second Supplemental Defense Appropria-
4 tions Act, 1941 (54 Stat. 884; 40 U.S.C. 325a). The
5 provisions of such statutes shall, notwithstanding, continue
6 to apply with respect to contracts existing on the effective
7 date of this Act or entered into pursuant to invitations for
8 bids that are outstanding at the time of the enactment of this
9 Act.

10 SEC. 204. This Act shall take effect sixty days after its
11 enactment, but shall not affect any contract then existing
12 or any contract that may thereafter be entered into pursuant
13 to invitations for bids that are outstanding at the time of the
14 enactment of this Act.

A BILL

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

By Mr. HUMPHREY and Mr. KUCHEL

MARCH 21, 1961

Read twice and referred to the Committee on Labor
and Public Welfare

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued March 29, 1962
For actions of March 28, 1962
87th-2d, No. 48

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HIGHLIGHTS: Senate committee voted not to report bill to continue current support prices for milk and butterfat. House subcommittee voted to report land-use adjustment sections of farm bill. Sen. Smathers urged early enactment of long-range sugar program. Senate began debate on Treasury-Post Office-Executive Office appropriation bill. House began debate on tax bill. Rep. Randall inserted Secretary's speech.

HOUSE

- FARM PROGRAM.** The "Daily Digest" states that the Subcommittee on Conservation and Credit of the Agriculture Committee voted to report to the full committee with amendment title I, on land-use adjustment, of H. R. 10010, the omnibus farm bill. p. D219
Rep. Findley criticized the proposed Food and Agriculture Act of 1962, saying, "I will do my utmost on the Committee on Agriculture to kill the entire bill, as I am convinced that no legislation is far to be preferred to any modification of a bill that is so basically against the interests of the farmer." p. 4868
- LIVESTOCK DISEASES.** The Agriculture Committee reported with amendments S. 860, to grant the Secretary of Agriculture additional authority to provide greater protection against the introduction and dissemination of diseases of livestock and poultry (H. Rept. 1516). p. 4937

3. TAXATION; COOPERATIVES. Began debate on H. R. 10650, the proposed Revenue Act of 1962, including revisions in tax provisions relative to cooperatives (see Digest 38 for items of interest). pp. 4868-920
4. TERRITORIES. The Interior and Insular Affairs Committee reported with amendments H. R. 10062, to extend the application of certain laws to American Samoa including extension of the provisions of the National School Lunch Act to Samoa and authorizing the USDA to make available to the territory technical, scientific, and other agricultural program assistance on a selective and limited basis (H. Rept. 1536). (p. 4937). The committee earlier voted to report this bill (p. D220).
5. PURCHASING. The Education and Labor Committee voted to report (but did not actually report) H. R. 10946 (in lieu of H. R. 10766), to amend the Davis-Bacon Act to define the term "wages" as used in the Act, and H. R. 10786, to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the U. S. for any territory, or for D. C. p. D220
6. PEACE CORPS. The Rules Committee reported a resolution for the consideration of H. R. 10700, to authorize increased appropriations for the Peace Corps. pp. 4868, 4937
7. FOREIGN CURRENCIES. Received from the House Administration Committee the reports of several committees on the expenditures of foreign currencies and appropriated funds in travel abroad. pp. 4931-7
8. SALINE WATER. Received from Interior a report on that Department's operations during 1961 under the Saline Water Act of 1952. p. 4937

SENATE

9. DAIRY PRICE SUPPORTS. By a vote of 11 to 5, the Agriculture and Forestry Committee voted not to report S. J. Res. 150, to continue for nine months additional the current price supports for milk and butterfat. p. D217
10. TREASURY-POST OFFICE-EXECUTIVE OFFICE APPROPRIATION BILL, 1963. Began debate on this bill, H. R. 10526. pp. 4819, 4839-60
11. SUGAR. Sen. Smathers urged early consideration of legislation to extend the Sugar Act, an increase in the quota of mainland cane sugar, and enactment of legislation to extend the program for at least 5 years. pp. 4804-5
12. PEACE CORPS. The Foreign Relations Committee voted to report (but did not actually report) with amendment S. 2935, to extend and expand the Peace Corps. p. D218
13. FORESTRY. Sen. Bennett submitted an amendment intended to be proposed to S. 2387, to provide for the establishment of the Canyonlands National Park Utah (includes National Forest lands). p. 4782
Sen. Moss urged support for legislation to establish the Canyonlands National Park. pp. 4828-31
Sen. Neuberger urged establishment of the Oregon Dunes as a national park and stated, "I firmly believe that the downgrading of the Oregon Dunes was a concession to the Department of Agriculture to give the Forest Service one beautiful area to develop for recreation." pp. 4860-1

packaging and labeling practices, having as its witnesses Paul Rand Dixon, Chairman, Federal Trade Commission; Dwight E. Avis, Director, Alcohol and Tobacco Tax Division, Internal Revenue Service; and W. E. Bussey, Assistant to the Director, National Bureau of Standards, Department of Commerce.

Hearings continue on Monday, April 2.

VETERANS' AFFAIRS

Committee on Labor and Public Welfare: Subcommittee on Veterans' Affairs held hearings on several pending veterans' bills, receiving testimony from Senator Gruening; Francis Stover, Veterans of Foreign Wars; George Gillespie, Blinded Veterans Association; and Philip N. Brownstein, Chief Benefits Director, and Roy

P. Bland, Assistant General Counsel, both of the Veterans' Administration.

WEATHER MODIFICATION

Select Committee on Small Business: Subcommittee on Monopoly concluded its hearings on patent policies of the Federal Government in the field of meteorology and weather modification and control, with especial interest on the effects of Government-financed research and development in these fields. Testimony was heard from G. C. Bannerman, Deputy Assistant Secretary of Defense for Procurement; Maj. Gen. Stuart S. Hoff, Chief, R. & D. Division, Office of Chief Signal Officer, Army; and Robert E. Giles, General Counsel, Department of Commerce.

House of Representatives

Chamber Action

Bills Introduced: 31 public bills, H.R. 10965-10995; 8 private bills, H.R. 10996-11003; and 5 resolutions, H.J. Res. 678 and H. Res. 579-582, were introduced.

Pages 4937-4939

Bills Reported: Reports were filed as follows:

S. 860, to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, amended (H. Rept. 1516);

H. Res. 579, open rule providing for the consideration of, and 1 hour of debate on, H.R. 10700, to amend the Peace Corps Act (H. Rept. 1517);

Fifteen private bills, S. 193, 899, H.R. 1372, 1533, 1700, 3005, 5689, 6344, S. 971, 1305, 1520, 1578, 1638, 1841, 1874, and 2101 (H. Repts. 1518-1533, respectively);

H.R. 298, relating to third-party liability for the cost of hospital and medical care and treatment furnished by the United States, amended (H. Rept. 1534);

H.J. Res. 449, providing for the establishing of the former dwelling house of Alexander Hamilton as a national memorial, amended (H. Rept. 1535);

H.R. 10062, extending the application of certain laws to American Samoa, amended (H. Rept. 1536); and

Three private bills, H.R. 1404, 1650, and 1651 (H. Repts. 1537-1539, respectively).

Pages 4937-4938

Tax Revision: By a record vote of 234 yeas to 172 nays the House adopted H. Res. 576, the closed rule waiving points of order and providing for 8 hours of debate on H.R. 10650, to amend the Internal Revenue Code of 1954 to provide a credit for investment in certain depreciable property and to eliminate certain defects and inequities. The previous question on the resolution was ordered pursuant to a record vote of 224 yeas to 184 nays. After consuming 3 hours and 34 minutes of

the time allotted for debate the House deferred further action on the legislation to Thursday.

Pages 4868-4920

ICC Anniversary: By a voice vote the House adopted H.J. Res. 441, to commemorate the 75th anniversary of the Interstate Commerce Commission.

Page 4920

Resolutions Referred: Two Senate-passed resolutions were referred to the Committee on the Judiciary.

Page 4931

Quorum Call and Record Votes: During the proceedings of the House today one quorum call and two record votes developed and they appear on pages 4868, 4875, and 4875-4876.

Program for Thursday: Adjourned at 6:36 p.m. until Thursday, March 29, at 11 a.m., when the House will further consider H.R. 10650, to amend the Internal Revenue Code of 1954 to provide a credit for investment in certain depreciable property and to eliminate certain defects and inequities.

Committee Meetings

GENERAL FARM BILL

Committee on Agriculture: Subcommittee on Conservation and Credit met in executive session on titles I and V of H.R. 10010, the general farm bill. The subcommittee ordered title I reported favorably with amendments to the full committee (title I regards land-use adjustment). Recessed until Thursday, March 29.

MILITARY CONSTRUCTION

Committee on Armed Services: Continued consideration of H.R. 10202, to authorize certain construction at military installations. Testimony was given by Ken-

neth E. BeLieu, Assistant Secretary of the Navy, Installations and Logistics; and other Department of Defense witnesses. Hearings continue Thursday, March 29.

ALCOHOLIC BEVERAGE CONTROL ACT—D.C.

Committee on the District of Columbia: Subcommittee No. 4 continued hearings on H.R. 9808, to revise the D.C. Alcoholic Beverage Control Act, and heard testimony from public witnesses. Hearings continue Thursday, March 29.

CONTRACT WORK HOURS—~~DAVIS-BACON ACT~~

Committee on Education and Labor: Met in executive session and ordered reported favorably to the House the following bills:

~~H.R. 10946 (a clean bill introduced in lieu of H.R. 10766), to amend the Davis-Bacon Act; the Federal Airport Act; and the National Housing Act; and~~

H.R. 10786, to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the U.S., for any territory, or for D.C.

EQUAL PAY

Committee on Education and Labor: Select Subcommittee on Labor held a hearing on legislation providing for equal pay for equal work without regard to sex. Testimony was given by Representative Kelly; and public witnesses. Representative Kearns submitted a statement for the record. Adjourned subject to call of the Chair.

ELEMENTARY-SECONDARY SCHOOL AID

Committee on Education and Labor: General Subcommittee on Education heard testimony from two State school officials on H.R. 10180, to authorize assistance to States for the financial support of public elementary and secondary education. Adjourned subject to call of the Chair.

FOREIGN AID

Committee on Foreign Affairs: Met in executive session on the Foreign Assistance Act of 1962, with particular reference to the Alliance for Progress. Testimony was given by Theodor Moscoso, Assistant Administrator, Bureau for Latin America, Agency for International Development; and Edwin M. Martin, Assistant Secretary of State, Inter-American Affairs.

AIRFIELD—FORT LEE, VA.

Committee on Government Operations: Subcommittee on Executive and Legislative Reorganization continued hearings on construction of an airfield at Fort Lee, Va. Heard testimony from Department of Defense witnesses. Hearings continue Thursday, March 29.

NATIONAL INSTITUTES OF HEALTH

Committee on Government Operations: Subcommittee on Intergovernmental Relations heard testimony from Dr. James A. Shannon, Director, National Institutes of Health, accompanied by other NIH officials, on administration of the National Institutes of Health grant programs. Hearings continue Thursday, March 29.

CORRUPT PRACTICES ACT

Committee on House Administration: Subcommittee on Elections held a hearing on H.R. 9255, to revise the Federal Corrupt Practices Act, and heard testimony from representatives of the Democratic and Republican National Committees. Adjourned subject to call of the Chair.

SAMOA

Committee on Interior and Insular Affairs: Ordered reported favorably to the House H.R. 10062 (amended), to extend the application of certain laws to American Samoa.

TRANSPORTATION

Committee on Interstate and Foreign Commerce: Subcommittee on Transportation and Aeronautics continued hearings on H.R. 5595, and related bills, relating to water carrier bulk commodity exemption; and H.R. 10542, to repeal the Inland Waterways Corporation Act. Testimony was given by public witnesses. Hearings continue Friday, March 30.

DAMAGE CLAIMS

Committee on the Judiciary: Subcommittee No. 2 held a hearing on H.R. 8509, to increase to \$10,000 the limit on payments for personal property damage claims by civilian employees of the Armed Forces, and heard testimony from a Government witness.

MANPOWER UTILIZATION

Committee on Post Office and Civil Service: Subcommittee on Manpower Utilization resumed hearings on manpower programs, policy, and problems in the Federal Government. Testimony was given by Paul B. Fay, Jr., Assistant Secretary of the Navy (Financial Management); and other Navy Department officials. Hearings continue Thursday, March 29.

PUBLIC WORKS ACCELERATION—RECESSION

Committee on Public Works: Continued hearings on H.R. 10113 and 10318, and related bills, to provide the President with standby authority to inaugurate a public works acceleration program to help combat a recession. Heard testimony from Representative Perkins; Edward Gudeman, Under Secretary of Commerce; Bernard L. Boutin, Administrator, General Services Administration; and other departmental witnesses. Hearings continue Thursday, March 29.

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HIGHLIGHTS: House committee approved wheat section of farm bill. Both Houses received President's transportation message. House Rules Committee cleared bill for agricultural import restrictions on nonparticipating countries in multilateral trade agreements. Sen. Williams, Del., criticized ASC committee meeting in Washington.

HOUSE

- FARM PROGRAM.** The "Daily Digest" states that the Agriculture Committee "Met in executive session and approved the wheat section (amended) of H. R. 10010, the general farm bill." p. D245
- FOREIGN TRADE.** The Rules Committee reported a resolution for the consideration of H. R. 10788, to amend section 204 of the Agricultural Act of 1956 to authorize the President to regulate imports of agricultural commodities, including textiles and textile products, from agreements. p. 5550
Passed as reported H. R. 6682, to provide for the exemption of fowling nets from duty. pp. 5506-7
Rep. Derounian inserted a statement by the Man-Made Fiber Producers Association, Inc. in opposition to H. R. 9900, the proposed Trade Expansion Act of 1962. pp. 5542-9

3. COTTON. Passed without amendment H. R. 11027, to amend the Agricultural Adjustment Act of 1938 so as to extend to the 1962 crop the authority to permit operators of farms with flooded-out cotton acreage to transfer cotton acreage allotments to another farm operated by the same farmer in the same or an adjoining county. p. 5508
4. PURCHASING. The Education and Labor Committee reported without amendment H. R. 10786, to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the U. S. for any territory (H. Rept. 1553), and H. R. 10946, to amend the Davis-Bacon Act to define the term "wages" as used in the Act (H. Rept. 1554). p. 5550
5. FLOOD INSURANCE. Rep. Wallhauser inserted a resolution from the New Jersey legislature memorializing Congress to enact legislation to implement the Federal Flood Insurance Act of 1956. p. 5534
6. TRANSPORTATION. Rep. Harris discussed the President's transportation message, and inserted a statement regarding the 75th anniversary of the ICC. pp. 5515-6
Rep. Van Zandt discussed the transportation message, saying, "Although some of us may disagree as to detail, we would all agree ... with the central thesis of the President's message." pp. 5533-4
7. LEGISLATIVE PROGRAM. Rep. Albert announced that H. R. 10788, to amend section 204 of the Agriculture Act of 1956 relating to the regulation of agricultural and textile imports will be considered on Tues., Apr. 10, and the legislative appropriation bill for 1963 on Wed., Apr. 11. p. 5532
8. ADJOURNED until Mon., Apr. 9. p. 5550

SENATE

9. TRANSPORTATION. Both Houses received the President's message on transportation in which he recommended removal of the exemption from rate regulation by ICC of the transportation of bulk commodities by water carriers; recommended extension to all carriers (rather than only to motor carriers and freight forwarders) the exemption from minimum rates for the transportation of agricultural and fishery products; proposed legislation to assure all carriers the right to ship vehicles or containers on the carriers of other branches of the transportation industry at the same rates available to noncarrier shippers, to repeal the provision of the Interstate Commerce Act which prevents a railroad from hauling cargo it owns, and to direct the regulatory agencies to sanction experimental freight rates, modifications and variations in existing systems of classification and documentation, and new kinds or combinations of service; stated that he was directing Federal agencies, in meeting their own transport needs, to use authorized commercial facilities in all modes of transportation within the limits of economical and efficient operations; urged that Congress declare as a matter of public policy that through rates and joint rates should be vigorously encouraged and authorize all transportation agencies to participate in joint boards; recommended that all common carriers, including freight forwarders and motor carriers, be required to pay reparations to shippers charged unlawfully high rates; recommended that the civil penalty now imposed on motor carriers for failure to file required reports be substantially increased; stated that he had directed

WORK HOURS ACT OF 1962

APRIL 5, 1962.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. POWELL, from the Committee on Education and Labor,
submitted the following

R E P O R T

[To accompany H.R. 10786]

The Committee on Education and Labor, to whom was referred the bill (H.R. 10786) to provide a Work Hours Standards Act establishing standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

INTRODUCTORY STATEMENT

The bill meets a great need in the field of labor standards legislation for a single general hours act to revise and replace the group of complicated and overlapping statutes dating as far back as 1892 which are known as the 8-hour laws. Former President Eisenhower, in his 1960 Economic Report to the Congress, recommended the enactment of "legislation to revise ambiguous and outmoded provisions of the 8-hour laws applying to Federal and federally assisted construction projects." A similar recommendation was contained in his 1960 budget message.

The present bill is substantially similar to the draft bill sent to the Committee on Education and Labor by Secretary of Labor Mitchell on January 13, 1961. The present administration has supported this bill both in testimony before the subcommittee by Secretary of Labor Arthur J. Goldberg and by a report filed with the committee.

PART II. SUBCOMMITTEE HEARINGS

The Special Subcommittee on Labor held hearings on March 8, 9, and 13, 1962, on H.R. 9657. The subcommittee heard testimony from

14 witnesses including the Secretary of Labor, the Solicitor of Labor, representatives from the construction industries, labor, and management. In addition, statements on behalf of 17 organizations who did not choose to testify were received and made part of the official record.

At the conclusion of the public hearings the subcommittee went into executive session and on March 22, 1962, H.R. 9657 was reported as clean bill H.R. 10786. On March 27, 1962, the full committee ordered that H.R. 10786, without amendment, be reported favorably to the House.

PART III. THE NEED FOR THE LEGISLATION

Because of the existing confusion, overlapping, and inconsistencies of the various 8-hour-day laws, there has long been needed a revision and unification of these various laws. Testimony indicated that some of these laws go back as far as 1892 and have not been revised or unified since 1940.

Numerous inconsistent provisions were called to the attention of the subcommittee: (1) Present 8-hour laws permit the employment of workers on Government construction up to 56 hours a week (seven 8-hour days) without overtime compensation; (2) under the existing laws no overtime protection, either daily or weekly, is provided for a substantial part of the vast federally assisted construction programs even though the Federal share of the cost of construction may amount to as much as 90 percent; (3) under existing law no laborers or mechanics employed by the Federal Government may work more than 8 hours a day "except in cases of extraordinary emergencies"; and (4) some of the laws provide criminal sanctions whereas others provide civil fines for violations of their provisions. It was indicated before the subcommittee that because of these and other inconsistencies and inequities in the present 8-hour laws, businessmen and others have a difficult time in determining what hours they may employ laborers and mechanics.

H.R. 10786 would improve the present 8-hour laws in three major respects: (1) By replacing the uncoordinated and confusing series of laws enacted at different times with a single statute simplifying and clarifying the present provisions; (2) by modernizing its hour standards through addition of a provision for a standard workweek of 40 hours with not less than time and one-half pay for work in excess of 40 per week; and (3) by making the laws' standards applicable to those federally financed and assisted contracts with respect to which Federal legislation provides for the payment of prevailing or minimum wages.

PART IV. SUMMARY AND GENERAL DISCUSSION OF H.R. 10786

PURPOSES

1. Simplifying and clarifying the existing law

The present 8-hour laws, which govern hours of work and overtime pay of laborers and mechanics employed on public work by the Federal Government and its contractors and subcontractors, were enacted at different times between 1892 and 1940. The 1892 statute replaced a statute dating back to the Civil War period. Certain provisions of these laws make it a crime for Government officials or Government contractors and their subcontractors to employ laborers or mechanics

more than 8 hours a day. Others, which apply only to contractors and subcontractors, provide a separate and additional contract penalty of \$5 for each day's violation with respect to each worker permitted to work more than 8 hours. Many workers are covered by both provisions, but there are some who are subject to the criminal statute only and others only to the statute providing the \$5 penalty. This bill would consolidate the existing laws into a single statute with simplified provisions which apply in the same way to all contractors and subcontractors performing work coming within its terms.

The committee bill would also eliminate the confusion and inequities which result from a number of conflicting and ambiguous exception provisions contained in the present laws. Some of the exceptions taking particular work out of the laws' coverage are canceled out by exceptions to the exceptions which put it back in again. And although the language of these laws prohibiting more than 8 hours' work in a calendar day has not been changed, there is still another independent statute that has the effect of relieving most contractors and subcontractors from this prohibition if they pay time and one-half overtime compensation for all work over 8 hours a day. The courts and the Comptroller General are in disagreement as to whether the present language of this law also gives the employees who work overtime the right to collect, by administrative or judicial action, the time and one-half compensation if the employer fails to pay it. This bill would make clear the liability of the contractor to reimburse laborers and mechanics to whom he has failed to pay time and one-half for overtime work as required by the bill.

2. Forty-hour week provision

In addition to a need for revising the language of the 8-hour laws to eliminate complicated and overlapping provisions, the present overtime provisions need amendment. Congress has established a straight-time workweek of 40 hours for Federal employment, for work connected with interstate commerce under the wage and hour law, and for work on Federal supply contracts under the Walsh-Healey Act. Many responsible contractors who perform Government contract work covered by the 8-hour laws have adopted this 40-hour standard. However, there are other contractors performing Federal work who require laborers and mechanics to work up to 56 hours a week (seven 8-hour days) without paying them overtime compensation. The bill would modernize the hour standards of the 8-hour laws by adding a requirement for the payment of time and one-half for work in excess of a 40-hour week.

3. Changes in coverage

The third needed improvement in the 8-hour laws is an extension of their scope to include work financed in whole or in part by the Federal Government under statutes which require the payment of prevailing or minimum wages. The contract work presently covered by the 8-hour laws is work contracted out directly by the Government. When these laws were developed, this coverage made the hour standards applicable to substantially all the work for which Federal funds were expended. This is no longer so. Many non-Federal agencies now do the actual contracting for work that is financed in whole or in part with Federal funds or with the aid of Federal guarantees but which is nevertheless subject to Federal supervision or

participation in details of spending the funds and to Federal laws providing for payment of predetermined prevailing or minimum wages. The coverage of a revised hours law should extend to this federally aided work.

Extension of Federal standards with respect to hours of work and overtime compensation to those contracts subject to Federal wage standards would not impose any undue burden on the Federal financing agencies, the non-Federal contracting agencies, or the contractor. The bill therefore provides that its hour standards shall apply to all contracts for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work. Section 105 of the bill grants the Secretary authority sufficiently broad to issue rules and regulations conforming the Federal standards with respect to hours of work and overtime compensation to the dollar limitations on coverage of such statutes as the Davis-Bacon Act and the Federal Airport Act.

Since the labor standards provided in the bill would be applicable only to contractors and subcontractors, its enactment would terminate the application of the 1892 statute to employees of the Federal Government and the District of Columbia. For this reason a necessary amendment to existing legislation relating to Federal employees is included in section 201 of the bill.

4. Coordination of enforcement by Federal agencies

Inasmuch as the proposed legislation would take the place of labor standards laws with respect to which the Secretary of Labor is given coordinating authority under Reorganization Plan No. 14 of 1950, a provision continuing this authority is included in the bill. There is also a provision affirming the applicability, in accordance with its terms, of section 2 of the Copeland Act, as amended, giving the Secretary of Labor certain authority to issue regulations for contractors and subcontractors on work of a character similar to that covered by the bill.

5. Administration and enforcement

The bill would make it clear that contractors and subcontractors responsible for violations will be liable to employees for the unpaid wages, as well as liable to the Government for liquidated damages in the amount of \$10 for each calendar day in which the employee is required to work in excess of the specified hours without payment of the statutory overtime compensation. This latter provision corresponds to the penalty provision of the 1912 act. A criminal penalty is provided for intentional violations, as is now done by the 1892 act.

The bill provides for the withholding by the Federal agency concerned of sums due a contractor in such amounts as are administratively determined to be necessary to satisfy liabilities for unpaid wages and liquidated damages. Similar withholding of funds is now authorized under existing law and standard contract provisions. In addition, under the bill the Comptroller General is authorized to make direct payment of such sums withheld for unpaid wages to reimburse underpaid employees.

If the amounts withheld are not sufficient to pay the underpaid workers the wages which are due them, the bill provides that such

workers shall, in the case of a department or agency of the Federal Government, have a right of action and/or intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials. In such proceedings, the fact that the workers accepted or agreed to accept less than the required wages or voluntarily made refunds would not constitute a defense.

As is now the case under the 1912 act, contractors would have the right to appeal to the head of the agency for a review of the administrative determination of sums withheld for liquidated damages. The bill is somewhat less rigid with respect to liquidated damages than the 1912 act, which provides no relief from the \$5 a day "penalty" once violations are established, except by action of the President under authority limited to a very narrow category of situations. The bill provides that the agency head, in the event of appeal, may issue a final order affirming the administrative determination or, in the proper case, may recommend to the Secretary of Labor that an adjustment be made in liquidated damages or that the contractor be relieved of liability. It is provided that the Secretary of Labor may issue a final order affirming or rejecting this recommendation. Final orders of the agency head or the Secretary would be subject to judicial review by the Court of Claims upon a proper showing.

The bill, like the Walsh-Healey Public Contracts Act applicable to Federal supply contracts, would authorize the Secretary to issue regulations under which adjustments in the application of the act may be made in instances where he finds it "necessary and proper in the public interest to prevent injustice or undue hardship or to avoid serious impairment of the conduct of Government business."

SECTION-BY-SECTION ANALYSIS

Section 1

This section provides that the entire act may be cited as the "Work Hours Act of 1962." It also provides that title I of the act may be cited as the "Contract Work Hours Standards Act."

Section 2

This section provides that "this Act" means the Work Hours Act of 1962, except that where such term is used in title I it means the Contract Work Hours Standards Act.

TITLE I—CONTRACT WORK HOURS STANDARDS ACT

Section 101

This section provides that the term "Secretary," when used in this title, means the Secretary of Labor.

Section 102

Subsection (a) of this section, which is the basic provision of the act, requires that the wages of every laborer and mechanic employed by a contractor or subcontractor in his performance of work on any contract which is of a type described in section 103, be computed on the basis of a standard workday of 8 hours and a standard workweek of 40 hours, and that work in excess of such standard workday or workweek shall be permitted if, for each workweek in which the laborer or mechanic is so employed, his wages include compensation at a rate not less than $1\frac{1}{2}$ times the basic rate of pay for all hours worked in excess

of 8 hours in any calendar day or in excess of 40 hours in the workweek, as the case may be.

Subsection (b) of this section sets forth certain provisions which will be deemed a condition of contracts and obligations which section 103 specifies.

The first of these is a requirement that no contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic in any workweek in which he is employed in such work to work in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek without meeting the requirements of this act relating to overtime pay.

The second such provision deals with the liability of employers who violate the preceding requirement. Under this provision each contractor or subcontractor responsible for the violation will be liable to the affected employees for their unpaid wages and shall also be liable to the United States (or to the District of Columbia or a territory) for liquidated damages which will be computed at the rate of \$10 for each individual violation for each calendar day in which it occurs. The governmental agency concerned may withhold or cause to be withheld, subject to the provisions of section 104, from any moneys payable on account of work performed by the contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of the contractor or subcontractor for unpaid wages and liquidated damages.

Section 103

This section describes the contracts to which the act will apply. First, the act will apply to any contract which may require or involve employment of laborers or mechanics on a public work of the United States (including any territory or the District of Columbia); second, to any other contract, requiring or involving the employment of laborers or mechanics if it is one (a) to which the United States (including any agency or instrumentality thereof, any territory, or the District of Columbia) is a party, (b) which is made for or on behalf thereof, or (c) which is a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States, or any of its agencies or instrumentalities, under a statute providing wage standards for such work. The act will apply to all laborers and mechanics, including watchmen and guards, employed by any contractor or subcontractor in the performance of any part of the work contemplated by the contract. A workman performing services in connection with dredging work or excavation in any river or harbor of the United States (including any territory or the District of Columbia) will be considered a "laborer or mechanic," but such term will not cover seamen.

Under subsection (b) of this section, and notwithstanding other provisions of the act, the act is made inapplicable to subcontracts for transportation, for the transmission of intelligence, or for the purchase of supplies or materials or articles ordinarily available in the open market. Similarly, the act will not apply with respect to work required to be done in accordance with the Walsh-Healey Public Contracts Act.

Section 104

This section requires inspectors of work performed under contracts subject to the act to report all violations to the proper official, together with information regarding such violations. The amount of unpaid wages and liquidated damages resulting from violations will be administratively determined and withheld, and the Comptroller General will pay directly to the laborers and mechanics, from the sums withheld on account of underpayment of wages, the amounts administratively determined to be due, if the funds withheld are adequate, and, if not, an equitable portion of such amounts.

Where the accrued payments withheld are insufficient to make the required reimbursements, the underpaid laborers and mechanics have, in the case of a department or agency of the Federal Government, the right of action and/or intervention against the contractor or his sureties conferred by law upon persons furnishing labor or materials.

Under subsection (c) a contractor or subcontractor aggrieved by the withholding of a sum as liquidated damages is given a right of appeal to the head of the agency involved. The agency head will have authority to review the administrative determination of liquidated damages and to issue a final order affirming the determination if he finds that it is correct. If he finds that the determination is incorrect or that the violation was inadvertent, notwithstanding exercise of due care, the agency head may recommend to the Secretary of Labor that an appropriate adjustment be made in the liquidated damages or that they be remitted. In such a case, the Secretary shall review the matter and issue a final order affirming or rejecting the recommendation. The contractor involved may file a claim in the Court of Claims within 60 days after a final order. The findings of fact, if supported by substantial evidence, will be conclusive in the proceedings in the Court of Claims.

Section 105

This section gives the Secretary of Labor certain authority to provide reasonable limitations and allow reasonable variations, tolerances, and exceptions from the requirements of the act in certain cases.

Section 106

This section makes intentional violations of the act a misdemeanor punishable by a fine of \$1,000 or imprisonment for not more than 6 months, or both, for each offense.

TITLE II—MISCELLANEOUS AND EFFECTIVE DATE

Section 201

This section amends section 23 of the act of March 28, 1934, to bring that act into conformity with the policy of title I of this act.

Section 202

This section amends the provisions of title 28 of the United States Code relating to the jurisdiction of the Court of Claims to give that court jurisdiction of claims for liquidated damages withheld under the Contract Work Hours Standards Act. The existing jurisdiction of that court is preserved with respect to certain contracts to which, under section 204, this act will not apply.

Section 203

This section repeals a number of statutes which contain provisions which are made unnecessary by this bill.

Section 204

This section provides that the act will take effect 60 days after its enactment but that it shall not affect any contract then existing or any contract entered into pursuant to invitation for bids which were outstanding when this act is enacted.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

Section 23 of the Act of March 28, 1934 (48 Stat. 522; 49 Stat. 1969)

SEC. 23. The weekly compensation, minus any general percentage reduction which may be prescribed by Act of Congress, for the several trades and occupations, which is set by wage boards or other wage-fixing authorities, shall be reestablished and maintained at rates not lower than necessary to restore the full weekly earnings of such employees in accordance with the full-time weekly earnings under the respective wage schedules in effect on June 1, 1932: **[Provided, That the regular hours of labor shall not be more than forty per week; and all overtime shall be compensated for at the rate of not less than time and one half]** *Provided, That the regular hours of labor are hereby established at not more than eight per day or forty per week, but work in excess of such hours shall be permitted when administratively determined to be in the public interest: Provided further, That overtime work in excess of eight hours per day or in excess of forty hours per week shall be compensated for at not less than time and one-half the basic rate of compensation, except that employees subject to this section who are regularly required to remain at or within the confines of their post of duty in excess of eight hours per day in a standby or on-call status shall be paid overtime rates only for hours of duty, exclusive of eating and sleeping time, in excess of forty per week.*

Where the adjustment of regular hours of duty of employees subject to the provisions of the preceding paragraph requires the adjustment of regular hours of duty of any employee whose compensation is fixed under the Classification Act of 1949, as amended, the aggregate weekly earnings of such employee whose compensation is fixed under the Classification Act of 1949, as amended, for full-time service shall not be less by reason of such adjustment than his aggregate weekly earnings for full-time service prior to March 28, 1934. Full-time service within the meaning of this paragraph shall not be less than forty hours per week. For the purposes of this paragraph, authority is hereby granted to adjust the hourly rates of compensation of employees whose compensation is fixed under the Classification Act of 1949, as amended, to such extent as may be necessary to make the aggregate compensation for a forty-hour week equal to the compensation for a full-time week prior to March 28, 1934.

Sections 892 and 893 of the Act of March 3, 1901 (31 Stat. 1334)

[SEC. 892. LIMITATION OF HOURS OF DAILY SERVICE FOR LABORERS AND MECHANICS ON PUBLIC WORKS.—The service and employment of all laborers and mechanics who are now or may hereafter be employed by the Government of the United States, by the District of Columbia, or by any contractor or subcontractor upon any of the public works of the United States or of the said District of Columbia, is hereby limited and restricted to eight hours in any one calendar day; and it shall be unlawful for any officer of the United States Government or of the District of Columbia, or any such contractor or subcontractor, whose duty it shall be to employ, direct, or control the service of such laborers or mechanics, to require or permit any such laborer or mechanic to work more than eight hours in any calendar day except in case of extraordinary emergency.

[SEC. 893. Any officer or agent of the Government of the United States or of the District of Columbia, or any contractor or subcontractor, whose duty it shall be to employ, direct, or control any laborer or mechanic employed upon any of the public works of the United States or of the District of Columbia who shall intentionally violate any provision of the last preceding section for each and every such offense shall be punished by a fine not to exceed one thousand dollars or by imprisonment for not more than six months, or both.]

Section 1499 of Title 28, United States Code

[§ 1499. Penalties imposed against contractors under eight hour law

[The Court of Claims shall have jurisdiction to render judgment upon any claim for a penalty withheld from a contractor or subcontractor under section 324 of title 40.]

§ 1499. *Liquidated damages withheld from contractors under Contract Work Hours Standards Act*

The Court of Claims shall have jurisdiction to render judgment upon any claim for liquidated damages withheld from a contractor or subcontractor under section 104 of the Contract Work Hours Standards Act.

Sections 1 and 2 of the Act of August 1, 1892, as Amended (27 Stat. 340; 37 Stat. 726)

[SECTION 1. That the service and employment of all laborers and mechanics who are now, or may hereafter, be employed by the Government of the United States or the District of Columbia, or by any contractor or subcontractor, upon a public work of the United States or of the District of Columbia, and of all persons who are now, or may hereafter be, employed by the Government of the United States or the District of Columbia, or any contractor or subcontractor, to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, is hereby limited and restricted to eight hours in any one calendar day; and it shall be unlawful for any officer of the United States Government or of the District of Columbia, or any such contractor or subcontractor whose duty it

shall be to employ, direct, or control the services of such laborers or mechanics or of such persons employed to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, to require or permit any such laborer or mechanic or any such person employed to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, to work more than eight hours in any calendar day, except in case of extraordinary emergency: *Provided*, That nothing in this Act shall apply or be construed to apply to persons employed in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia while not directly operating dredging or rock excavating machinery or tools, nor to persons engaged in construction or repair of levees or revetments necessary for protection against floods or overflows on the navigable rivers of the United States.

[VIOLATION OF ACT BY OFFICER OR CONTRACTOR PUNISHABLE.]

[SEC. 2. That any officer or agent of the Government of the United States or of the District of Columbia, or any contractor or subcontractor whose duty it shall be to employ, direct, or control any laborer or mechanic employed upon a public work of the United States or of the District of Columbia, or any person employed to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, who shall intentionally violate any provision of this Act, shall be deemed guilty of a misdemeanor, and for each and every such offense shall, upon conviction, be punished by a fine not to exceed one thousand dollars, or by imprisonment for not more than six months, or by both such fine and imprisonment, in the discretion of the court having jurisdiction thereof.]

**ACT OF JUNE 19, 1912, AS AMENDED (37 STAT. 137;
62 STAT. 989)**

[An Act Limiting the hours of daily service of laborers and mechanics employed upon work done for the United States, or for any Territory, or for the District of Columbia, and for other purposes.]

[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That every contract hereafter made to which the United States, any Territory, or the District of Columbia is a party, and every such contract made for or on behalf of the United States, or any Territory, or said District, which may require or involve the employment of laborers or mechanics shall contain a provision that no laborer or mechanic doing any part of the work contemplated by the contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work; and every such contract shall stipulate a penalty for each violation of such provision in such contract of five dollars for each laborer or mechanic for every calendar day in which he shall be required or permitted to labor more than eight hours upon said work; and any officer or person designated as

inspector of the work to be performed under any such contract, or to aid in enforcing the fulfillment thereof, shall, upon observation or investigation, forthwith report to the proper officer of the United States, or of any Territory, or of the District of Columbia, all violations of the provisions of this Act directed to be made in every such contract, together with the name of each laborer or mechanic who has been required or permitted to labor in violation of such stipulation and the day of such violation, and the amount of the penalties imposed according to the stipulation in any such contract shall be directed to be withheld for the use and benefit of the United States, the District of Columbia, or the Territory contracting by the officer or person whose duty it shall be to approve the payment of the moneys due under such contract, whether the violation of the provisions of such contract is by the contractor or any subcontractor. Any contractor or subcontractor aggrieved by the withholding of any penalty as hereinbefore provided shall have the right within six months thereafter to appeal to the head of the department making the contract on behalf of the United States or the Territory, and in the case of a contract made by the District of Columbia to the Commissioners thereof, who shall have power to review the action imposing the penalty, and in all such appeals from such final order whereby a contractor or subcontractor may be aggrieved by the imposition of the penalty hereinbefore provided, such contractor or subcontractor may, within six months after decision by such head of a department or the Commissioners of the District of Columbia, file a claim in the Court of Claims.

[SEC. 2. That nothing in this Act shall apply to contracts for transportation by land or water, or for the transmission of intelligence, or for the purchase of supplies by the Government, whether manufactured to conform to particular specifications or not, or for such materials or articles as may usually be bought in open market, except armor and armor plate, whether made to conform to particular specifications or not, or to the construction or repair of levees or revetments necessary for protection against floods or overflows on the navigable waters of the United States: *Provided*, That all classes of work which have been, are now, or may hereafter be performed by the Government shall, when done by contract, by individuals, firms, or corporations for or on behalf of the United States or any of the Territories or the District of Columbia, be performed in accordance with the terms and provisions of section one of this Act. The President, by Executive order, may waive the provisions and stipulations in this Act as to any specific contract or contracts during time of war or a time when war is imminent, and until January first, nineteen hundred and fifteen, as to any contract or contracts entered into in connection with the construction of the Isthmian Canal. No penalties shall be imposed for any violation of such provision in such contract due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or to property, or by other extraordinary event or condition on account of which the President shall subsequently declare the violation to have been excusable. Nothing in this Act shall be construed to repeal or modify the Act entitled "An Act relating to the limitation of the hours of daily service of laborers and mechanics employed upon the public works of the United States and of the District of Columbia" being

chapter three hundred and fifty-two of the laws of the Fifty-second Congress, approved August first, eighteen hundred and ninety-two as modified by the Acts of Congress approved February twenty-seventh, nineteen hundred and six, and June thirtieth, nineteen hundred and six, or apply to contracts which have been or may be entered into under the provisions of appropriation Acts approved prior to the passage of this Act.

【SEC. 3. That this Act shall become effective and be in force on and after January first, nineteen hundred and thirteen.】

That Portion of the Act of March 4, 1917 (39 Stat. 1192)

【That in case of national emergency the President is authorized to suspend provision of law prohibiting more than eight hours labor in any one day of persons engaged upon work covered by contracts with the United States: *Provided further*, That the wages of persons employed under such contracts shall be computed on a basic day rate of eight hour work, with overtime rates to be paid for at not less than time and one-half for all hours work in excess of eight hours.】

Section 303 of the Second Supplemental National Defense Appropriation Act, 1941 (54 Stat. 884)

【SEC. 303. Notwithstanding any other provision of law, the wages of every laborer and mechanic employed by any contractor or subcontractor engaged in the performance of any contract of the character specified in the Act of June 19, 1912 (37 Stat. 138; U.S.C., title 40, secs. 324, 325), shall be computed on a basis day rate of eight hours per day and work in excess of eight hours per day shall be permitted upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay.】

○

Union Calendar No. 651

87TH CONGRESS
2D SESSION

H. R. 10786

[Report No. 1553]

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 1962

Mr. ROOSEVELT introduced the following bill; which was referred to the Committee on Education and Labor

APRIL 5, 1962

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Work Hours Act of 1962"
4 and title I may be cited as the "Contract Work Hours
5 Standards Act".

6 SEC. 2. As used in this Act, the term "this Act" means
7 the Work Hours Act of 1962 except in title I, where it means
8 the Contract Work Hours Standards Act.

1 TITLE I—CONTRACT WORK HOURS STANDARDS
2 ACT

3 SEC. 101. As used herein, the term "Secretary" means
4 the Secretary of Labor, United States Department of Labor.

5 SEC. 102. (a) Notwithstanding any other provision of
6 law, the wages of every laborer and mechanic employed
7 by any contractor or subcontractor in his performance of
8 work on any contract of the character specified in section
9 103 shall be computed on the basis of a standard workday
10 of eight hours and a standard workweek of forty hours,
11 and work in excess of such standard workday or workweek
12 shall be permitted subject to the provisions of this section.
13 For each workweek in which any such laborer or mechanic
14 is so employed, such wages shall include compensation, at
15 a rate not less than one and one-half times the basic rate
16 of pay, for all hours worked in excess of eight hours in any
17 calendar day or in excess of forty hours in the workweek,
18 as the case may be.

19 (b) The following provisions shall be a condition of
20 every contract of the character specified in section 103 and
21 of any obligation of the United States, any territory, or
22 the District of Columbia in connection therewith:

23 (1) No contractor or subcontractor contracting for any
24 part of the contract work which may require or involve the
25 employment of laborers or mechanics shall require or permit

1 any laborer or mechanic, in any workweek in which he is
2 employed on such work, to work in excess of eight hours
3 in any calendar day or in excess of forty hours in such
4 workweek except in accordance with the provisions of this
5 Act; and

6 (2) In the event of violation of the provisions of para-
7 graph (1), the contractor and any subcontractor responsible
8 therefor shall be liable to such affected employee for his
9 unpaid wages and shall, in addition, be liable to the United
10 States (or, in the case of work done under contract for the
11 District of Columbia or a territory, to such District or to
12 such territory) for liquidated damages as provided therein.
13 Such liquidated damages shall be computed, with respect
14 to each individual employed as a laborer or mechanic in
15 violation of any provision of this Act, in the sum of \$10 for
16 each calendar day on which such individual was required or
17 permitted to work in excess of eight hours or in excess of the
18 standard workweek of forty hours without payment of the
19 overtime wages required by this Act. The governmental
20 agency for which the contract work is done or by which
21 financial assistance for the work is provided may withhold,
22 or cause to be withheld, subject to the provisions of section
23 104, from any moneys payable on account of work performed
24 by a contractor or subcontractor, such sums as may adminis-
25 tratively be determined to be necessary to satisfy any liabili-

1 ties of such contractor or subcontractor for unpaid wages and
2 liquidated damages as herein provided.

3 SEC. 103. (a) The provisions of this Act shall apply,
4 except as otherwise provided, to any contract which may re-
5 quire or involve the employment of laborers or mechanics
6 upon a public work of the United States, of any territory,
7 or of the District of Columbia, and to any other contract
8 which may require or involve the employment of laborers
9 or mechanics if such contract is one (1) to which the United
10 States or any agency or instrumentality thereof, any terri-
11 tory, or the District of Columbia is a party, or (2) which is
12 made for or on behalf of the United States, any agency or
13 instrumentality thereof, any territory, or the District of
14 Columbia, or (3) which is a contract for work financed in
15 whole or in part by loans or grants from, or loans insured
16 or guaranteed by, the United States or any agency or instru-
17 mentality thereof under any statute of the United States pro-
18 viding wage standards for such work. Except as otherwise
19 expressly provided, the provisions of the Act shall apply to
20 all laborers and mechanics, including watchmen and guards,
21 employed by any contractor or subcontractor in the per-
22 formance of any part of the work contemplated by any such
23 contract, and for purposes of this Act, laborers and mechanics
24 shall include workmen performing services in connection with
25 dredging or rock excavation in any river or harbor of the

1 United States or of any territory or of the District of Colum-
2 bia, but shall not include any employee employed as a
3 seaman.

4 (b) This Act shall not apply to contracts for transporta-
5 tion by land, air, or water, or for the transmission of intelli-
6 gence, or for the purchase of supplies or materials or articles
7 ordinarily available in the open market. This Act shall not
8 apply with respect to any work required to be done in ac-
9 cordance with the provisions of the Walsh-Healey Public
10 Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

11 SEC. 104. (a) Any officer or person designated as in-
12 spector of the work to be performed under any contract of
13 the character specified in section 103, or to aid in the en-
14 forcement or fulfillment thereof shall, upon observation or
15 investigation, forthwith report to the proper officer of the
16 United States, of any territory or possession, or of the
17 District of Columbia, all violations of the provisions of this
18 Act occurring in the performance of such work, together
19 with the name of each laborer or mechanic who was required
20 or permitted to work in violation of such provisions and the
21 day or days of such violation. The amount of unpaid wages
22 and liquidated damages owing under the provisions of this
23 Act shall be administratively determined and the officer or
24 person whose duty it is to approve the payment of moneys

1 by the United States, the territory, or the District of Colum-
2 bia in connection with the performance of the contract work
3 shall direct the amount of such liquidated damages to be with-
4 held for the use and benefit of the United States, said terri-
5 tory, or said District, and shall direct the amount of such un-
6 paid wages to be withheld for the use and benefit of the
7 laborers and mechanics who were not compensated as re-
8 quired under the provisions of this Act. The Comptroller
9 General of the United States is hereby authorized and di-
10 rected to pay directly to such laborers and mechanics, from
11 the sums withheld on account of underpayments of wages,
12 the respective amounts administratively determined to be
13 due, if the funds withheld are adequate, and, if not, an equi-
14 table proportion of such amounts.

15 (b) If the accrued payments withheld under the terms
16 of the contracts, as aforesaid, are insufficient to reimburse all
17 the laborers and mechanics with respect to whom there has
18 been a failure to pay the wages required pursuant to this
19 Act, such laborers and mechanics shall, in the case of a
20 department or agency of the Federal Government, have the
21 rights of action and/or of intervention against the contractor
22 and his sureties conferred by law upon persons furnishing
23 labor or materials, and in such proceedings it shall be no
24 defense that such laborers and mechanics accepted or agreed

1 to accept less than the required rate of wages or voluntarily
2 made refunds.

3 (c) Any contractor or subcontractor aggrieved by the
4 withholding of a sum as liquidated damages as provided in
5 this Act shall have the right, within sixty days thereafter, to
6 appeal to the head of the agency of the United States or of
7 the territory for which the contract work is done or by which
8 financial assistance for the work is provided, or to the Com-
9 missioners of the District of Columbia in the case of liqui-
10 dated damages withheld for the use and benefit of said Dis-
11 trict. Such agency head or Commissioners, as the case may
12 be, shall have authority to review the administrative deter-
13 mination of liquidated damages and to issue a final order
14 affirming such determination; or, if it is found that the sum
15 determined is incorrect or that the contractor or subcon-
16 tractor violated the provisions of this Act inadvertently not-
17 withstanding the exercise of due care on his part and that
18 of his agents, recommendations may be made to the Secre-
19 tary that an appropriate adjustment in liquidated damages
20 be made, or that the contractor or subcontractor be relieved
21 of liability for such liquidated damages. The Secretary shall
22 review all pertinent facts in the matter and may conduct
23 such investigations as he deems necessary, so as to affirm or
24 reject the recommendation. The decision of the Secretary

1 shall be final. In all such cases in which a contractor or
2 subcontractor may be aggrieved by a final order for the with-
3 holding of liquidated damages as hereinbefore provided, such
4 contractor or subcontractor may, within sixty days after such
5 final order, file a claim in the Court of Claims: *Provided,*
6 *however,* That final orders of the agency head, the Commis-
7 sioners of the District of Columbia or the Secretary, as the
8 case may be, shall be conclusive with respect to findings of
9 fact if such findings are supported by substantial evidence.

10 (d) Reorganization Plan Numbered 14 of 1950 (15
11 F.R. 3175; 64 Stat. 1267) shall be applicable with respect
12 to the provisions of this Act, and section 2 of the Act of
13 June 13, 1934, as amended (48 Stat. 948, 54 Stat. 1236,
14 63 Stat. 108; 40 U.S.C. 276c), shall be applicable with re-
15 spect to those contractors and subcontractors referred to
16 therein who are engaged in the performance of contracts
17 subject to the provisions of this Act.

18 SEC. 105. The Secretary may provide such reasonable
19 limitations and may make such rules and regulations allow-
20 ing reasonable variations, tolerances, and exemptions to and
21 from any or all provisions of this Act as he may find neces-
22 sary and proper in the public interest to prevent injustice
23 or undue hardship or to avoid serious impairment of the con-
24 duct of Government business.

25 SEC. 106. Any contractor or subcontractor whose duty

1 it shall be to employ, direct, or control any laborer or me-
2 chanic employed in the performance of any work contem-
3 plated by any contract to which this Act applies, who shall
4 intentionally violate any provision of this Act, shall be
5 deemed guilty of a misdemeanor, and for each and every such
6 offense shall, upon conviction, be punished by a fine of not
7 to exceed \$1,000 or by imprisonment for not more than six
8 months, or by both such fine and imprisonment, in the dis-
9 cretion of the court having jurisdiction thereof.

10 TITLE II—MISCELLANEOUS AND EFFECTIVE
11 DATE

12 SEC. 201. The proviso of section 23 of the Act of March
13 28, 1934 (48 Stat. 509, 522), as amended, is hereby
14 amended to read as follows: "*Provided*, That the regular
15 hours of labor are hereby established at not more than
16 eight per day or forty per week, but work in excess of such
17 hours shall be permitted when administratively determined
18 to be in the public interest: *Provided further*, That overtime
19 work in excess of eight hours per day or in excess of forty
20 hours per week shall be compensated for at not less than
21 time and one-half the basic rate of compensation, except
22 that employees subject to this section who are regularly
23 required to remain at or within the confines of their post
24 of duty in excess of eight hours per day in a standby or
25 on-call status shall be paid overtime rates only for hours

1 of duty, exclusive of eating and sleeping time, in excess
2 of forty per week.”

3 SEC. 202. (a) Section 1499 of title 28, United States
4 Code, is hereby amended to read as follows:

5 **“§ 1499. Liquidated damages withheld from contractors**
6 **under Contract Work Hours Standards Act**

7 “The Court of Claims shall have jurisdiction to render
8 judgment upon any claim for liquidated damages withheld
9 from a contractor or subcontractor under section 104 of
10 the Contract Work Hours Standards Act.”

11 (b) The Court of Claims shall continue to have juris-
12 diction to render judgment upon any claim for a penalty
13 withheld from a contractor or subcontractor under section
14 324 of title 40, United States Code, in connection with any
15 contract subject to said section existing on the effective
16 date of this Act, or thereafter entered into pursuant to
17 invitations for bids that are outstanding at the time of the
18 enactment of this Act.

19 SEC. 203. The following statutes are hereby repealed:
20 Sections 1 and 2 of the Act of August 1, 1892 (27 Stat.
21 340; 40 U.S.C. 321, 322), as amended by the Act of March
22 3, 1913 (37 Stat. 726); sections 892 and 893 of the Act
23 of March 3, 1901 (31 Stat. 1334; D.C. Code, 1961 edition,
24 secs. 22-3407, 3408); the Act of June 18, 1912 (37 Stat.
25 137; 40 U.S.C. 324, 325), as amended by the Act of June

1 25, 1948 (62 Stat. 989) ; that portion of the Naval Service
2 Appropriation Act, 1918 (Act of March 4, 1917, 39 Stat.
3 1192), which is codified as section 326 of title 40 of the
4 United States Code (1952 edition) ; and section 303 of the
5 Second Supplemental Defense Appropriations Act, 1941 (54
6 Stat. 884; 40 U.S.C. 325a) . The provisions of such statutes
7 shall, notwithstanding, continue to apply with respect to
8 contracts existing on the effective date of this Act or entered
9 into pursuant to invitations for bids that are outstanding at
10 the time of the enactment of this Act.

11 SEC. 204. This Act shall take effect sixty days after
12 its enactment, but shall not affect any contract then existing
13 or any contract that may thereafter be entered into pursuant
14 to invitations for bids that are outstanding at the time of the
15 enactment of this Act.

A BILL

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

By Mr. ROOSEVELT

MARCH 15, 1962

Referred to the Committee on Education and Labor

APRIL 5, 1962

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued April 17, 1962
For actions of April 16, 1962
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HIGHLIGHTS: Senate committee voted to report (on Apr. 13) farm bill. Senate passed supplemental appropriation bill. House committee reported (on Apr. 13) Defense Department appropriation bill.

HOUSE

1. APPROPRIATIONS. The Appropriations Committee reported on Apr. 13, during adjournment of the House, H. R. 11289, making appropriations for the Department of Defense for fiscal year 1963 (H. Rept. 1607). p. 6215
Received from the President amendments to the budget for 1963 involving a net decrease of \$2,400,000 for the Department of the Interior (H. Doc. 388). p. 6215
2. RESEARCH. Passed without amendment H. R. 6984, to provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions. p. 6150
3. PURCHASING. By a vote of 163 to 46, passed under suspension of the rules H. R. 10786, to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for or with the financial aid of, the U. S., for any territory, or for D. C. pp. 6166-73

4. PERSONNEL. The Post Office and Civil Service Committee reported with amendments H. R. 8564, to amend the Federal Employees' Group Life Insurance Act of 1954 to provide for escheat of amounts of insurance to the insurance fund under such act in the absence of any claim for payment (H. Rept. 1610). p. 6215
5. SCHOOL LUNCH. At the request of Rep. Ford, passed over without prejudice H. R. 8962, to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act. p. 6150
6. METRIC SYSTEM. On objection of Rep. Gross, passed over H. R. 2049, to provide that the National Bureau of Standards shall conduct a program of investigation, research, and survey to determine the practicability of the adoption by the U. S. of the metric system of weights and measures. p. 6150
7. TRANSPORTATION. Received from the Comptroller General a report on the audit of the St. Lawrence Seaway Development Corporation (H. Doc. 389). p. 6215
8. RECLAMATION. Both Houses received from the Comptroller General a report on the audit of the Tennessee Valley Authority (H. Doc. 390). pp. 6215, 6047

SENATE

9. FARM PROGRAM. The "Daily Digest" states that the Agriculture and Forestry Committee, on Apr. 13, "ordered favorably report with amendments S. 2786, proposed Food and Agriculture Act of 1962. A summary of the bill, as approved by the committee, is as follows:

Land Use Adjustment

"1. Permanent extension of the agricultural conservation program on a national basis.

"2. Payments to producers under the Soil Conservation and Domestic Allotment Act under long-term agreements (not to exceed 15 years) to conserve and develop soil, water, forest, wildlife, and recreation resources. Total payments are restricted to \$10 million annually.

"3. Development of more economic use of lands, fish and wildlife projects, and assistance to local public authorities to provide public recreation under the Bankhead-Jones Farm Tenant Act.

"4. Loans under the Bankhead-Jones Act to State and Local public agencies to carry out plans of land conservation and land utilization, such loans to be repaid in 30 years.

"5. Payment of half the cost of fish, wildlife, and recreation improvements involving land, easements, rights-of-way, and minimum basic facilities under the Watershed Act.

"6. Farmers Home Administration loans for recreation facilities."

Public Law 480

"1. Authorize long-term supply contracts with private trade.

"2. Make permissive rather than mandatory the authority to make agreements with other exporting nations to participate in long-term supply programs."

Feed Grain Program

"Extends for 1 year (through 1963) the special feed grain program."

"Rules and regulations"

"SEC. 396. The Secretary is authorized to make such rules and regulations as may be necessary to carry out this part, including regulations relating to the order of priority in approving applications for projects under section 392 or to determining the amounts of grants for such projects.

"Federal interference or control prohibited"

"SEC. 397. Nothing contained in this part shall be deemed (1) to amend any other provision of, or requirement under this Act; or (2) to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over educational television broadcasting or over the curriculum, program of instruction, or personnel of any educational institution, school system, or educational broadcasting station or system."

And the House agree to the same.

That the title of the bill be amended to read as follows: "An Act to amend the Communications Act of 1934 to establish a program of Federal matching grants for the construction of television broadcasting facilities to be used for educational purposes."

OREN HARRIS,
KENNETH A. ROBERTS,
MORGAN M. MOULDER,
JOHN E. MOSS,
WILLIAM L. SPRINGER,
J. ARTHUR YOUNGER,
PAUL F. SCHENCK,

Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
A. S. MIKE MONRONEY,
NORRIS COTTON,
CLIFFORD P. CASE,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 205) to expedite the utilization of television transmission facilities in our public schools and colleges, and in adult training programs, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as agreed to in conference is in form and for the most part in substance the same as the amendment of the House to the Senate bill. The differences between the House amendment and the substitute agreed to in conference are set forth in the following outline, except for incidental changes made necessary by reason of agreements reached by the conferees and minor or clarifying changes.

The several important changes which have been made in the House amendment have the common objective of expediting as much as possible the construction of additional educational television broadcasting facilities. The construction of such additional facilities has been long overdue. At present the Federal Communications Commission has reserved 273 educational television channels of which only 62 are in use. Only through the establishment of additional educational television broadcasting facilities and the activation of noncommercial educational television broadcasting stations can the goal of creating an adequate television system to serve the needs of all the people in the United States be accomplished. The conference agreement, thus, must be considered an integral part of a broader legislative program now under consideration in the Congress which is aimed at expanding and improving television service in the United States.

Grants for surveys: In order to accomplish this objective the conference agreement omits all provisions for the preparation of State surveys of educational television

needs which were contained in the House amendment. Educational television legislation was first considered during the 85th Congress when it was passed by the Senate and was reported favorably to the House of Representatives by the Committee on Interstate and Foreign Commerce. Between that time and the present extensive national studies have been undertaken by educational television organizations of educational television broadcasting needs. These studies show a minimum need of 1,197 television channels for educational broadcasting stations. Therefore, the time for additional surveys has long since passed and the time has arrived to take prompt action to get the needed additional educational television stations on the air as promptly as possible.

Authorization of appropriations for construction grants: In recognition of the urgent need for the construction of additional educational television broadcasting facilities the conference agreement authorizes the appropriation for fiscal year 1963 and the 4 succeeding fiscal years of not to exceed \$32 million, in the aggregate, for construction grants. The House amendment had authorized the appropriation of not to exceed \$25 million while the Senate bill authorized the appropriation of not to exceed \$51 million for the making of such grants.

If sufficient applications are submitted and approved to utilize available funds authorized by the conference agreement, numerous additional educational television broadcasting facilities will be constructed because of the requirement that these Federal grants must be matched.

Thus, it is expected that the Federal funds authorized by the conference agreement will be effective in providing a much-needed initial momentum to get this large and badly needed expansion program underway at the earliest possible date.

In order to assure proper coordination of construction of educational television broadcasting facilities within States which have established State educational television agencies, applicants for construction grants within such States are required to notify the agency of each application for a grant which is submitted by them and the Secretary of Health, Education, and Welfare, in turn, is required to advise the agency of the disposition of each such application.

Administration: The conference agreement places the administration of the program in the Secretary of Health, Education, and Welfare. The House amendment placed the administration of the program in the Commissioner of Education.

The conferees placed the responsibility for the execution of this program in the Secretary of Health, Education, and Welfare rather than in an office or bureau of the Department of Health, Education, and Welfare, because of the realization that, if the relatively small program provided for by this legislation is to be carried out speedily and effectively, it must be given proper priority among the many other important and far-reaching programs which are now administered by the Department of Health, Education, and Welfare. Under no circumstances should this program be subordinated to or tied in with other Federal programs in the field of education. This could only result in unavoidable delays which would prevent the achievement of goals which the conferees seek to accomplish by this legislation.

The execution of this new program will quite likely involve the establishment of policies and the rendering of decisions for which ready precedents may not be available. By placing the responsibility for the execution of this program in the Secretary himself, the Secretary is placed in a position where he may designate a person responsible immediately to him who will be in a position to expedite the formulation of such

policies and the making of such decisions. However, the full responsibility for the administration of the program remains with the Secretary, with whom it has been placed under the conference agreement.

The conferees anticipate that the Secretary will keep the committees of the Congress responsible for this legislation advised at regular intervals of the operation of this program.

The decision of the conferees to enact this legislation in the form of an amendment to the Communications Act of 1934 likewise lends emphasis to their view that this program is a program aimed at promoting particular broadcast services within the general framework of broadcasting in the United States. Attention is called by the conferees to the provision contained in the legislation that the Federal Communications Commission is authorized to give to the Secretary all assistance requested by the Secretary to carry out the program. The conferees are gratified that the Federal Communications Commission has recently established in its Broadcast Bureau an Office of Research and Education for the specific purpose of assisting educational broadcasters in their efforts directed at expanding and improving educational broadcasting. The conferees are confident that the Federal Communications Commission will put forth its best efforts to promote the educational television program provided for in this legislation. If the Secretary will avail himself of the expert services which can be rendered by the Federal Communications Commission he will be in a position to minimize the administrative expenses incurred in connection with the execution of this program.

Entities eligible for construction grants: Under the House amendment nonprofit community educational television organizations would not have been eligible to receive construction grants. The Senate bill would have permitted any nonprofit foundation, corporation, or association which was organized to engage in or encourage educational television broadcasting to receive construction grant funds.

The conference agreement makes eligible to receive construction grants any nonprofit foundation, corporation, or association, which is organized primarily to engage in or encourage educational television broadcasting and which is eligible according to the rules and regulations of the Federal Communications Commission in effect on April 12, 1962, to receive a license from the Commission for a noncommercial educational broadcasting station.

The conferees adopted this language in the light of the following representation made by the Federal Communications Commission in its memorandum relating to the provisions of the Senate-passed bill and the House amendment thereto:

"In this connection, you are advised that under the Commission's rules and policies, qualified applicants for the reserved non-commercial educational stations have been limited to the following:

"(a) One or more duly accredited public or private educational institutions, organizations, or bodies;

"(b) A municipality or other political subdivision which has no independently constituted educational organization;

"(c) One or more tax-supported cultural organizations (e.g., public libraries); and

"(d) An association of nonprofit community organizations chartered by a State to engage in noncommercial educational broadcasting. Such groups have been broadly representative of the educational, cultural, and civic groups in the community and have included public or private educational organizations or representatives.

"Thus, a single nonprofit organization, unless it were an accredited educational organization or a tax-supported cultural organ-

ization, would not be considered eligible to receive a license for a noncommercial educational television reservation."

Interconnecting apparatus: The conference agreement limits to 15 percent of any grant, the amount that the recipient may utilize for the acquisition and installation of microwave equipment, boosters, translators, and repeaters which are to be used to connect two or more broadcasting stations. The purpose of this change is to assure that most of the available funds will be used for putting new educational television broadcasting stations on the air. Expenditures made to interconnect stations with each other should be incidental to this primary purpose.

Commonwealth of Puerto Rico: The conference agreement adopts the provisions of the House amendment making the Commonwealth of Puerto Rico eligible to participate in the educational television construction grant program.

OREN HARRIS,
KENNETH A. ROBERTS,
MORGAN M. MOULDER,
JOHN E. MOSS,
W. L. SPRINGER,
J. ARTHUR YOUNGER,
PAUL F. SCHENCK,

Managers on the Part of the House.

WORK HOURS ACT OF 1962

Mr. ROOSEVELT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10786) to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes, with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Work Hours Act of 1962" and title I may be cited as the "Contract Work Hours Standards Act".

SEC. 2. As used in this Act, the term "this Act" means the Work Hours Act of 1962 except in title I, where it means the Contract Work Hours Standards Act.

TITLE I—CONTRACT WORK HOURS STANDARDS ACT

SEC. 101. As used herein, the term "Secretary" means the Secretary of Labor, United States Department of Labor.

SEC. 102. (a) Notwithstanding any other provision of law, the wages of every laborer and mechanic employed by any contractor or subcontractor in his performance of work on any contract of the character specified in section 103 shall be computed on the basis of a standard workday of eight hours and a standard workweek of forty hours, and work in excess of such standard workday or workweek shall be permitted subject to the provisions of this section. For each workweek in which any such laborer or mechanic is so employed, such wages shall include compensation, at a rate not less than one and one-half times the basic rate of pay, for all hours worked in excess of eight hours in any calendar day or in excess of forty hours in the workweek, as the case may be.

(b) The following provisions shall be a condition of every contract of the character specified in section 103 and of any obligation of the United States, any territory, or the District of Columbia in connection therewith:

(1) No contractor or subcontractor contracting for any part of the contract work which may require or involve the employ-

ment of laborers or mechanics shall require or permit any laborer or mechanic, in any workweek in which he is employed on such work, to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek except in accordance with the provisions of this Act; and

(2) In the event of violation of the provisions of paragraph (1), the contractor and any subcontractor responsible therefor shall be liable to such affected employee for his unpaid wages and shall, in addition, be liable to the United States (or, in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages as provided therein. Such liquidated damages shall be computed, with respect to each individual employed as a laborer or mechanic in violation of any provision of this Act, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by this Act. The governmental agency for which the contract work is done or by which financial assistance for the work is provided may withhold, or cause to be withheld, subject to the provisions of section 104, from any moneys payable on account of work performed by a contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as herein provided.

SEC. 103. (a) The provisions of this Act shall apply, except as otherwise provided, to any contract which may require or involve the employment of laborers or mechanics upon a public work of the United States, of any territory, or of the District of Columbia, and to any other contract which may require or involve the employment of laborers or mechanics if such contract is one (1) to which the United States or any agency or instrumentality thereof, any territory, or the District of Columbia is a party, or (2) which is made for or on behalf of the United States, any agency or instrumentality thereof, any territory, or the District of Columbia, or (3) which is a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work: *Provided*, That the provisions of section 102 shall not apply to work where the assistance from the United States or any agency or instrumentality as set forth above is only in that nature of a loan guarantee or insurance.

Except as otherwise expressly provided, the provisions of the Act shall apply to all laborers and mechanics, including watchmen and guards, employed by any contractor or subcontractor in the performance of any part of the work contemplated by any such contract, and for purposes of this Act, laborers and mechanics shall include workmen performing services in connection with dredging or rock excavation in any river or harbor of the United States or of any territory or of the District of Columbia, but shall not include any employee employed as a seaman.

(b) This Act shall not apply to contracts for transportation by land, air, or water, or for the transmission of intelligence, or for the purchase of supplies or materials or articles ordinarily available in the open market. This Act shall not apply with respect to any work required to be done in accordance with the provisions of the Walsh-Healey Public Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

SEC. 104. (a) Any officer or person designated as inspector of the work to be performed under any contract of the character specified in section 103, or to aid in the en-

forcement or fulfillment thereof shall, upon observation or investigation, forthwith report to the proper officer of the United States, of any territory or possession, or of the District of Columbia, all violations of the provisions of this Act occurring in the performance of such work, together with the name of each laborer or mechanic who was required or permitted to work in violation of such provisions and the day or days of such violation. The amount of unpaid wages and liquidated damages owing under the provisions of this Act shall be administratively determined and the officer or person whose duty it is to approve the payment of moneys by the United States, the territory, or the District of Columbia in connection with the performance of the contract work shall direct the amount of such liquidated damages to be withheld for the use and benefit of the United States, said territory, or said District, and shall direct the amount of such unpaid wages to be withheld for the use and benefit of the laborers and mechanics who were not compensated as required under the provisions of this Act. The Comptroller General of the United States is hereby authorized and directed to pay directly to such laborers and mechanics, from the sums withheld on account of underpayments of wages, the respective amounts administratively determined to be due, if the funds withheld are adequate, and, if not, an equitable proportion of such amounts.

(b) If the accrued payments withheld under the terms of the contracts, as aforesaid, are insufficient to reimburse all the laborers and mechanics with respect to whom there has been a failure to pay the wages required pursuant to this Act, such laborers and mechanics shall, in the case of a department or agency of the Federal Government, have the rights of action and/or of intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in such proceedings it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or voluntarily made refunds.

(c) Any contractor or subcontractor aggrieved by the withholding of a sum as liquidated damages as provided in this Act shall have the right, within sixty days thereafter, to appeal to the head of the agency of the United States or of the territory for which the contract work is done or by which financial assistance for the work is provided, or to the Commissioners of the District of Columbia in the case of liquidated damages withheld for the use and benefit of said District. Such agency head or Commissioners, as the case may be, shall have authority to review the administrative determination of liquidated damages and to issue a final order affirming such determination; or, if it is found that the sum determined is incorrect or that the contractor or subcontractor violated the provisions of this Act inadvertently notwithstanding the exercise of due care on his part and that of his agents recommendations may be made to the Secretary that an appropriate adjustment in liquidated damages be made, or that the contractor or subcontractor be relieved of liability for such liquidated damages. The Secretary shall review all pertinent facts in the matter and may conduct such investigations as he deems necessary, so as to affirm or reject the recommendation. The decision of the Secretary shall be final. In all such cases in which a contractor or subcontractor may be aggrieved by a final order for the withholding of liquidated damages as hereinbefore provided, such contractor or subcontractor may, within sixty days after such final order, file a claim in the Court of Claims: *Provided, however*, That final orders of the agency head, the Commissioners of the District of

Columbia or the Secretary, as the case may be, shall be conclusive with respect to findings of fact if such findings are supported by substantial evidence.

(d) Reorganization Plan Numbered 14 of 1950 (15 F.R. 3175; 64 Stat. 1267) shall be applicable with respect to the provisions of this Act, and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, 54 Stat. 1236, 63 Stat. 108; 40 U.S.C. 276c), shall be applicable with respect to those contractors and subcontractors referred to therein who are engaged in the performance of contracts subject to the provisions of this Act.

SEC. 105. The Secretary may provide such reasonable limitations and may make such rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this Act as he may find necessary and proper in the public interest to prevent injustice or undue hardship or to avoid serious impairment of the conduct of Government business.

SEC. 106. Any contractor or subcontractor whose duty it shall be to employ, direct, or control any laborer or mechanic employed in the performance of any work contemplated by any contract to which this Act applies, who shall intentionally violate any provision of this Act, shall be deemed guilty of a misdemeanor, and for each and every such offense shall, upon conviction, be punished by a fine of not to exceed \$1,000 or by imprisonment for not more than six months, or by both such fine and imprisonment, in the discretion of the court having jurisdiction thereof.

TITLE II—MISCELLANEOUS AND EFFECTIVE DATE

SEC. 201. The proviso of section 23 of the Act of March 28, 1934 (48 Stat. 509, 522), as amended, is hereby amended to read as follows: "Provided, That the regular hours of labor are hereby established at not more than eight per day or forty per week, but work in excess of such hours shall be permitted when administratively determined to be in the public interest: *Provided further*, That overtime work in excess of eight hours per day or in excess of forty hours per week shall be compensated for at not less than time and one-half the basic rate of compensation, except that employees subject to this section who are regularly required to remain at or within the confines of their post of duty in excess of eight hours per day in a standby or on-call status shall be paid overtime rates only for hours of duty, exclusive of eating and sleeping time, in excess of forty per week."

SEC. 202. (a) Section 1499 of title 28, United States Code, is hereby amended to read as follows:

§ 1499. Liquidated damages withheld from contractors under Contract Work Hours Standards Act

"The Court of Claims shall have jurisdiction to render judgment upon any claim for liquidated damages withheld from a contractor or subcontractor under section 104 of the Contract Work Hours Standards Act."

(b) The Court of Claims shall continue to have jurisdiction to render judgment upon any claim for a penalty withheld from a contractor or subcontractor under section 324 of title 40, United States Code, in connection with any contract subject to said section existing on the effective date of this Act, or thereafter entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

SEC. 203 The following statutes are hereby repealed: Sections 1 and 2 of the Act of August 1, 1892 (27 Stat. 340; 40 U.S.C.

321, 322), as amended by the Act of March 3, 1913 (37 Stat. 726); sections 892 and 893 of the Act of March 3, 1901 (31 Stat. 1334; D.C. Code, 1961 edition, secs. 22-3407, 3408); the Act of June 18, 1912 (37 Stat. 137; 40 U.S.C. 324, 325), as amended by the Act of June 25, 1948 (62 Stat. 989); that portion of the Naval Service Appropriation Act, 1918 (Act of March 4, 1917, 39 Stat. 1192), which is codified as section 326 of title 40 of the United States Code (1952 edition); and section 303 of the Second Supplemental Defense Appropriations Act, 1941 (54 Stat. 884; 40 U.S.C. 325a). The provisions of such statutes shall, notwithstanding, continue to apply with respect to contracts existing on the effective date of this Act or entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

SEC. 204. This Act shall take effect sixty days after its enactment, but shall not affect any contract then existing or any contract that may thereafter be entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

The SPEAKER. Is a second demanded?

Mr. HIESTAND. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

CALL OF THE HOUSE

Mr. WAGGONER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

Addonizio	Fogarty	Murray
Alexander	Fountain	O'Neill
Alger	Friedel	Patman
Andersen,	Gallagher	Powell
Minn.	Glenn	Rains
Andrews	Grant	Rivers, S.C.
Ashley	Harrison, Va.	Roberts, Ala.
Bailey	Hays	Saund
Barry	Hébert	Scott
Bass, N.H.	Henderson	Scranton
Battin	Hoffman, Mich.	Selden
Bonner	Horan	Smith, Miss.
Boykin	Huddleston	Spence
Brademas	Jensen	Thompson, La.
Brewster	Johnson, Md.	Thompson, N.J.
Brooks	Jones, Ala.	Thompson, Tex.
Celler	Kearns	Thomson, Wis.
Chelf	Kee	Tollefson
Coad	Kitchin	Ullman
Cramer	Kornegay	Utt
Curtis, Mass.	Lennon	Walter
Daniels	McDonough	Westland
Dawson	McSween	Whitener
Dominick	McVey	Whitten
Dowdy	Macdonald	Wilson, Ind.
Dulski	Miller,	Zelenko
Elliott	George P.	
Ellsworth	Moorehead,	
Fascell	Ohio	
Fino	Morse	

The SPEAKER pro tempore. On this rollcall, 355 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

WORK HOURS ACT OF 1962

The SPEAKER pro tempore (Mr. ALBERT). The gentleman from California is recognized.

Mr. ROOSEVELT. I move to suspend the rules and to pass H.R. 10786 with the amendment at the desk. Mr. Speaker, Federal legislation establishing the principle that 8 hours should constitute the regular working day for laborers and mechanics on Government work was first passed in the 1860's—act of June 25, 1868, Revised Statute 3738. This principle was later embodied in the 8-hour laws and extended to work on Government contracts.

H.R. 10786 would provide a uniform Work Hours Act for establishing standards for hours of work and overtime pay for laborers and mechanics employed under U.S. Government contracts or under federally assisted programs.

This bill meets a great need in the field of labor standards legislation for a single general hours act to revise and replace the group of complicated and overlapping statutes dating as far back as 1892 which are known as the 8-hour laws. Former President Eisenhower, in his 1960 economic report to the Congress, recommended the enactment of "legislation to revise the ambiguous and outmoded provisions of the 8-hour laws applying to Federal and federally assisted construction projects." A similar recommendation was contained in his 1960 budget message.

The present bill is substantially similar to the draft bill sent to the late, revered Speaker, Say Rayburn, by the then Secretary of Labor, James Mitchell. The present administration has supported this bill both in testimony before the subcommittee by Secretary of Labor Arthur J. Goldberg, and by a report filed with the committee.

H.R. 10786 would improve the present 8-hour laws in three major respects: First, by replacing the uncoordinated and confusing series of laws enacted at different times with a single statute simplifying and clarifying the present provisions; second, by modernizing its hour standards through addition of a provision for a standard workweek of 40 hours with not less than time and one-half pay for work in excess of 40 per week; and third, by making the laws' standards applicable to those federally financed and assisted contracts with respect to which Federal legislation provides for the payment of prevailing or minimum wages.

I am at this point inserting in the RECORD a compilation prepared by the Department of Labor indicating the various Federal laws that contain wage standards and which provide various kinds of financing for construction. Only those statutes that provide grants or loans of Federal funds would be included in the bill under the amendment.

Federally assisted construction programs with wage standards

Program	No overtime	8-hour provision	40-hour provision	8- and 40-hour provision	Type of financing
Hospital survey and construction (2 U.S.C. 291(h)(5))	X				Grants $\frac{1}{3}$ to $\frac{2}{3}$ of cost.
Federal airport (49 U.S.C. 1114(b))	X				Grants to 50 percent of cost.
School (impacted areas) (20 U.S.C. 636b(1)(E))	X				Formula grants.
Defense Housing and Community Facilities and Services Act of 1951 (42 U.S.C. 1592i(b))		X			Loans and grants.
Federal Civil Defense Act of 1950, as amended (50 App. U.S.C. 2281(i))				X	50 percent grants.
Area Redevelopment Act of 1961 (sec. 21, Public Law 87-27; 75 Stat. 47)				X	Loans to 65 percent of cost of project grants necessary to complete project.
Delaware River Basin compact (art. 15.1(i), Public Law 87-328; 75 Stat. 688)				X	Commission authorized to negotiate for available financing.
Federal-aid highway (23 U.S.C. 113)	X				50- to 90-percent grants.
Water Pollution Control Act (33 U.S.C. 466e(f))	X				30-percent grants.
National Housing Act:					
1. Sec. 207, rental housing (12 U.S.C. 1713); wage standards (12 U.S.C. 1715e)	X				Mortgage guarantee up to 90 percent.
2. Sec. 608, veterans rental (12 U.S.C. 1743)	X				Do.
3. Nonprofit co-op housing (12 U.S.C. 1715e)	X				Do.
4. Moderate income rental housing (12 U.S.C. 1747)	X				Do.
5. Family housing, military bases (12 U.S.C. 1748a); labor standards (12 U.S.C. 1748b(k))				X	Mortgage guarantee with construction on Government property. After completion of project armed services manage the project and guarantee FHA against loss.
6. Housing for military and civilian employees (12 U.S.C. 1748H-2)	X				Mortgage insurance to 90 percent.
7. Defense rental housing (12 U.S.C. 1750g)	X				Do.
8. Rehabilitation housing for 12 or more families (12 U.S.C. 1715k)	X				Do.
9. Experimental housing for 12 or more families (12 U.S.C. 1715x)	X				Mortgage insurance up to replacement cost by conventional methods.
10. Rental housing for moderate income families (12 U.S.C. 1715 1(d) (3) (4))	X				Mortgage insurance up to 90 percent.
11. Housing for elderly (12 U.S.C. 1715v)	X				Do.
12. Nursing homes (12 U.S.C. 1715w)	X				Mortgage insurance up to 90 percent.
Housing Act of 1949, slum clearance and urban renewal (42 U.S.C. 1459)	X				Loans of 100 percent of cost; grants up to $\frac{2}{3}$ of cost.
Housing Act of 1950, college housing (12 U.S.C. 1749a(f))			X		Loans of 100 percent of cost.
Housing Act of 1959, housing for elderly (12 U.S.C. q(e)(3) 1701)	X				Loans of 98 percent of cost.
U.S. Housing Act of 1937, low-rent public housing (42 U.S.C. 1416c)	X				Loans of not more than 90 percent of cost.

Numerous inconsistent provisions were called to the attention of the subcommittee: First, present 8-hour laws permit the employment of workers on Government construction up to 56 hours a week—seven 8-hour days—without overtime compensation; second, under the existing laws no overtime protection, either daily or weekly, is provided for a substantial part of the vast federally assisted construction programs even though the Federal share of the cost of construction may amount to as much as 90 percent; third, under existing law no laborers or mechanics employed by the Federal Government may work more than 8 hours a day "except in cases of extraordinary emergencies"; and fourth, some the laws provide criminal sanctions whereas other provide civil fines for violations of their provisions. It was indicated before the subcommittee that because of these and other inconsistencies and inequities in the present 8-hour laws, businessmen and others have a difficult time in determining what hours they may employ laborers and mechanics.

In concluding my opening remarks, I should like to point out, Mr. Speaker, that this bill has been a bipartisan measure. I urge its adoption now.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Georgia.

Mr. LANDRUM. First, I would like to ask the chairman of the subcommittee why the decision was made against seeking a rule and bringing the bill up in the regular order instead of under suspension of the rules?

Mr. ROOSEVELT. Because of the fact there is such bipartisan support for the measure. Also, it was thought that with the difficulty of getting a rule, in view of the large legislative jam coming up, it would be easier and proper to do it

under this method. The leadership agreed to this.

Mr. LANDRUM. I would like to ask the gentleman if the amendment being proposed here, or the bill being proposed, would extend the 8-hour law and the 40-hour week to highway construction in States where any part of the funds had in the construction of that highway or road consisted of special funds?

Mr. ROOSEVELT. If Federal funds are actually employed, the answer is "Yes."

Mr. LANDRUM. If a public housing project is under construction, then the terms of this bill would apply?

Mr. ROOSEVELT. The answer to that is "No."

Mr. LANDRUM. Why?

Mr. ROOSEVELT. In that instance most of the funds are federally guaranteed or it has an insurance provision in it. We have by this amendment eliminated that from this proposed bill.

Mr. LANDRUM. The amendment which you propose to the bill eliminates from its provisions all coverage which comes about because the interest of the Government is only in the nature of a loan or guarantee of a loan or in the nature of insurance?

Mr. ROOSEVELT. The gentleman is generally correct. The bill does not apply where Government participation is only by way of guaranteeing or insuring a loan.

Mr. LANDRUM. If there is a direct grant for work under the Area Redevelopment Act, for example, do the terms of this bill apply?

Mr. ROOSEVELT. If there is construction involved, the answer is "Yes."

Mr. LANDRUM. In other words, if a community any place in the United States receives from the Federal Government a direct grant, or a combination

grant and loan under the Area Redevelopment Act, and uses that money in the expansion of its sewerage system or in the expansion of its water system or in the laying out of streets in any form, then this bill applies as to wages?

Mr. ROOSEVELT. If there is a grant involved, counsel assures me that they would be subject to this act.

Mr. LANDRUM. What about the case of a loan under the Area Redevelopment Act?

Mr. ROOSEVELT. If the loan was only guaranteed, the act as amended would not apply.

Mr. LANDRUM. I mean if it makes the loan.

Mr. ROOSEVELT. If it makes the loan, at that point, then the act would apply.

Mr. LANDRUM. I thank the gentleman.

Mr. GRIFFIN. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Michigan, the author of the amendment.

Mr. GRIFFIN. Mr. Speaker, during the deliberations of the Committee on Education and Labor, I was greatly concerned because the bill, as reported, would extend rigid Federal 8-hour coverage into areas of the housing program where the Federal Government has no connection whatsoever other than guaranteeing the loan. It seems to me that we would be going too far to impress not only Davis-Bacon prevailing rates, but 8-hour and 40-hour restrictions as well, upon construction projects as to which the Federal Government provides no funds, and does not, itself, even lend any money. In fact, I submit that if Congress should actually go that far, we would discourage construction in the very areas where our purpose is encourage construction with private financing.

If the Federal Government, itself, provides funds, I think the situation is somewhat different. Dating back to the 1800's, there has been an 8-hour-a-day provision in effect where the Federal Government, itself, constructs a building. In other words, for a long time there has been the requirement in those situations that work over 8 hours in a day be paid for at time and a half rates. However, in those areas of Federal construction, the 40-hour-a-week provision has not applied; or at least it has not applied generally. Situations have come to light where some constructors work their employees 8 hours a day but 6 or 7 days a week without paying time and one-half. In view of the general wage-hour law that applies to other industries in our country setting a 40-hour week, I believe that a 40-hour-a-week limitation can be justified in the construction industry. However, where the Federal Government merely guarantees a loan, I do not think that both the 40-hour week and the 8-hour day should be imposed by law. I say that because bad weather can close down a job for 1 or 2 days in a week. If the employees want to work 9 or 10 hours a day at straight time on the remaining days to make up a 40 hours week, I don't think we should say, by law, that they cannot do it.

While I shall support this bill in view of the acceptance by the gentleman from California [Mr. ROOSEVELT] of my amendment, I want to make it clear that I do not necessarily approve of the procedure under which this bill is being considered.

I would have preferred to have it come up under a regular rule permitting more time for debate and permitting other amendments to be offered. However, I shall state that the gentleman from California [Mr. ROOSEVELT] has remedied my principal objection to this bill by accepting my amendment, and I thank the gentleman for accepting it.

Mr. ROOSEVELT. I thank the gentleman.

Mr. GOODELL. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New York.

Mr. GOODELL. I ask our chairman, Is it not true that under provisions of the Area Redevelopment Act both the 8-hour-per-day and the 40-hour-per-week provisions apply; that this is not being changed by this particular bill?

Mr. ROOSEVELT. The gentleman is correct. I drew the attention of the gentleman from Georgia to the statement that the 8-hour day and the 40-hour week are now applicable by act of the Congress under the Area Redevelopment Act.

Mr. GOODELL. I think it should be pointed out so that the membership understands what is being done by this act, however, and I ask it in the form of a question of the chairman to confirm it, that this does for the first time extend the 8-hour day and the 40-hour week to hospital construction, Federal airport construction, impacted areas construction, educational aid construction, community facilities type construction, with

the exception that the 8 hours a day in that instance already applies, Highway Act construction, Water Pollution Control Act, National Housing Act construction, housing for military and civilian employees, defense rental housing, rehabilitation housing, 12 or more families, housing for the elderly—this is not a complete list, but I believe in each instance this is extending the 8-hour day and the 40-hour week to those constructions.

Mr. ROOSEVELT. The gentleman is correct, with one exception, that is, where there is only a guarantee, they would not be covered, particularly with reference to the housing for the elderly.

Mr. GOODELL. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New York.

Mr. GOODELL. It does apply where there is a loan involved?

Mr. ROOSEVELT. The gentleman is correct; where there is a loan involved.

Mr. GOODELL. If the gentleman will yield further, the distinction, apparently, is if there is Federal money involved, either as a loan or grant, then the standards apply—the 8-hour day and the 40-hour week?

Mr. ROOSEVELT. The gentleman is correct.

Mr. GOODELL. However, if there is a guarantee of insurance or some other private loan involved, it does not apply?

Mr. ROOSEVELT. The gentleman is correct. I appreciate the contribution of the gentleman from New York.

Mr. HIESTAND. Mr. Speaker, I yield myself 5 minutes.

(Mr. HIESTAND asked and was given permission to revise and extend his remarks.)

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from Georgia.

Mr. LANDRUM. I would like the attention of the chairman of the subcommittee, the gentleman from California [Mr. ROOSEVELT], so I can propound this question:

In the case of housing being built under FHA specifications where only the guarantee of the loan or insurance is involved, the terms of this bill with the amendment will not apply; is that correct?

Mr. ROOSEVELT. That is correct.

Mr. LANDRUM. If the gentleman will yield further, in the case of veterans housing where the money is a direct loan, it will apply; is that correct? Where the money furnished for the construction comes from the Government in the nature of a direct loan?

Mr. ROOSEVELT. If under the circumstances which the gentleman from Georgia [Mr. LANDRUM] has outlined, the gentleman is correct.

Mr. LANDRUM. If the gentleman will yield further, what we would have here is the terms of this bill applying to wages being paid in the construction of homes for veterans, but not applying in the construction of homes where the only interest of the Government was in the nature of an insured or a guaranteed loan?

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield so I can clarify that point?

Mr. HIESTAND. Yes, I shall be happy to yield to the gentleman from California for that purpose.

Mr. ROOSEVELT. I want to point out that this has nothing to do with wages.

Mr. LANDRUM. If the gentleman will yield further, I have reference to hours. Hours have something to do with wages.

Mr. AYRES. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from Ohio.

Mr. AYRES. There are two types of veterans' loans. One is the direct loan which the gentleman from Georgia [Mr. LANDRUM] spoke of, and the other is the GI guaranteed loan. I might say that unless the administration releases the \$300 million it is sitting on, we do not have to worry about it because there are not any direct loans being made.

Mr. HIESTAND. Mr. Speaker, this bill comes to us under a suspension of the rules. I object most emphatically to its coming to us under suspension of the rules, limiting debate to 20 minutes for and 20 minutes against it.

Mr. Speaker, we did not get out any minority report because this bill was put through under the cloak of another bill, the fringe benefit bill. The hearings were held concurrently, or together, and were almost identical. Most of the objection to the fringe benefit bill was also applied to this bill, and the only minority report we got out was to the fringe benefit bill. We had no warning that this bill was going to be brought up, and especially was going to be brought up first. In fact, there were practically no hearings on this bill as such, and there are no printed hearings.

Mr. Speaker, there is much objection to this bill on the part of the Associated General Contractors, the Associated Builders and many chambers of commerce, and so forth. There was opposition within the subcommittee and within the full committee. Lack of opposition is usually a requirement for the consideration of a bill under suspension of the rules. I believe the bill should have gone to the Rules Committee for proper consideration and should come up under proper rule, because it involves not only the extension of these two laws—the 8-hour-law and the 40-hour-week measure—but it also provides a large extension in scope.

Mr. Speaker, we are now told that an amendment has been presented at the last minute, which we have not had an opportunity to study, and has been accepted by the majority side to take out some of the objectionable features, namely, the vast extension of scope of coverage.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield.

Mr. ROOSEVELT. Mr. Speaker, I would like to point out to the gentleman and to the House that at the time the bill was before the full committee the gentleman from Michigan [Mr. GRIF-FIN] said that he was going to offer this amendment. He said this was all

he was interested in and that is why the amendment was offered in this manner. May I say further, as the report will show, that there was no minority report of any kind against the bill.

Mr. HIESTAND. No; there was not, but I stated why.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I should like to state that I regret very much there are no printed hearings available on this bill. Even though I am in favor of the bill it does seem to me advisable, before we bring in a bill of this character which does have some controversial characteristics, that we have hearings available.

Mr. AYRES. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman.

Mr. AYRES. The ratio of staff members on the Committee on Labor is about 35 to 1. If we had on the minority as many as four or five members of the staff, we would be able to get these reports out.

Mr. HIESTAND. I thank the gentleman.

Mr. Speaker, I would like to stress the point which seemingly has been little understood: that there is a wide and a national demand for a complete overhaul of the Davis-Bacon Act. Many Members have had correspondence on this subject and requests that this act be overhauled. There are a lot of other bills that have been introduced to correct weaknesses in it to clarify conflicts and bring it up to date.

Mr. Speaker, you will recall that this act was originally passed to protect local communities from being undercut on labor projects. I have a bill, H.R. 225, which would consolidate the Davis-Bacon, the Walsh-Healey, the 8-hour law, and the Federal Labor Standards Act, which would clarify many of these overlappings and much of the confusion.

There has been much testimony against this bill. Increased costs are inevitable and the "fringe" bill will come up next. The increased scope in this bill will then apply under that bill. Later there will be requests for double time on Saturday and Sunday.

I have had a complaint from a district in which there is a project for elderly housing where they want the costs kept down so that the old folks can rent at a low figure. FHA rules would apply, and if this bill were passed costs would go up as high as \$85 per month for most of the elderly involved in that project. The vast extension of coverage is most distressing.

Generally speaking, Mr. Speaker, I think we have to regard this as an inflationary bill. It would increase the costs of these projects, making some of them difficult to finance. There would be just no way of avoiding it.

Increasing costs without increasing productivity means inflation.

Also the authority of the Secretary of Labor would be increased, which is another important point.

I oppose the bill and I oppose it as it has been amended.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Speaker, I favor this bill and think it should be passed. But I think we in Congress should look to our own employees. For example, what are we doing in the Folding Room? We pay people there at an hourly rate. They do not get overtime; they do not get time-and-a-half after 8 hours; they do not get double time for Saturday afternoon; they do not get triple time for Sunday. Also, some of those rate employees have been there for 14 to 18 years. They get no vacation pay whatever. Did you gentlemen know that? If they work in the evening they get paid at the regular rate. They get no sick leave, either. If they do not work they do not get paid. Likewise, they have no social security. These are employees that are working for Congress, the House, with no overtime, double time, triple time, and no sick leave or vacation pay, no social security and no retirement. What do you think of that?

Mr. AYRES. How did they get the jobs?

Mr. FULTON. These are not the patronage employees, I might say.

Mr. HIESTAND. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. MARTIN].

(Mr. MARTIN of Nebraska asked and was given permission to revise and extend his remarks.)

Mr. MARTIN of Nebraska. Mr. Speaker, I call your attention to section 103 on page 4 of the bill, line 14, part (3), which provides that the provisions of this act shall apply "to a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by the United States."

I am well aware that this amendment, which has been accepted by the gentleman from California, will exclude the section that relates to guarantee of loans through FHA and VA housing, but as pointed out on the floor, I would like to call your attention to the fact that direct loans by the VA will still come under this act.

I also want to make the point that many of our homes built in the rural areas of the United States under direct loans from the Veterans' Administration would be vitally affected by this section of the bill.

I would venture a guess that it would raise the cost of construction in these areas by from \$200 to \$300 a home. In these rural areas we do not have unionized labor. The men who build these homes many times are a force of one or two carpenters that contract to build these homes on an hourly basis. They work as long as they see fit. They work when the weather is good. They try to get the house built as economically and as quickly as possible. This provision would increase the cost of homes in such areas.

The second point I want to make is that this act would apply to the construction of all highways in the United

States, that is, not only Federal and State highways but also county roads which are built with assistance in funds from the Federal Government. Again you are hitting the rural areas of the United States where we do not have unionized employees, where these men go out and work on these county roads when the weather is good, whether they are working 40 or 50 hours a week or whatever it may be. Again, you are going to increase the cost of road construction in the various counties.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield for a correction?

Mr. MARTIN of Nebraska. I yield to the gentleman from California.

Mr. ROOSEVELT. I am afraid the gentleman does not appreciate the fact that this law applies only to those areas where the Federal Government sets minimum wages under a statute that provides for a grant or loan of Federal funds. It does not do that under the veterans' law of which the gentleman spoke. Therefore, this would not affect the rural situation in any way.

Mr. MARTIN of Nebraska. Where a direct loan is made by the Veterans Administration, according to the way I read this language, I believe it would apply.

Mr. ROOSEVELT. No, the gentleman is wrong. This affects only those situations which are covered by minimum wage standards set by the Federal Government under a statute providing loans or grants of Federal funds.

Mr. HARVEY of Indiana. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield.

Mr. HARVEY of Indiana. I think many of these rural homes now are being constructed under direct loans from the Farmers Home Administration. I should like to ask whether those homes so constructed would be constructed under the provisions of this bill.

Mr. MARTIN of Nebraska. According to the way I read this bill, they would come under this provision.

Mr. ROOSEVELT. The Building and Construction Workers Guide, put out by the U.S. Department of Labor, James P. Mitchell, Secretary, on page 16 specifically states:

Construction does not cover any individual house built for sale regardless of the number of houses in any one development, when each house is subject to its own mortgage.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Georgia.

Mr. LANDRUM. The gentleman from California has just quoted from a directive from a former Secretary of Labor.

Mr. ROOSEVELT. If the gentleman will yield to me to answer the gentleman's question. It is not a directive. It is simply an explanation of the law.

Mr. LANDRUM. Is there anything to prevent a new explanation of the law coming out? We have a few of those coming out.

Mr. ROOSEVELT. Yes, there is. If the statute which grants or loans Federal funds does not contain wage standards, then this bill would not apply.

Mr. LANDRUM. The hour provision will apply.

Mr. MARTIN of Nebraska. Mr. Speaker, I have one more point I would like to make. The Labor Committee has been promised by the distinguished chairman of the committee and the distinguished chairman of the subcommittee, the gentleman from California, that our committee will have extensive hearings in regard to Davis-Bacon in all facets of this act. This act was passed in 1931 and, as you know, allows the Secretary of Labor to determine wages on all projects in which Federal funds are involved. This investigation would cover a complete facet of the construction industry. In view of that fact and in view of the fact that this bill goes into this field, I think this is piecemeal legislation and should be deferred at this time until the committee has had an opportunity completely to go into the operation of the Davis-Bacon Act and how it has affected our economy.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ROOSEVELT. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. DENT].

Mr. LANE. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Massachusetts.

Mr. LANE. Mr. Speaker, the Work Hours Act of 1962 is intended to gather up all the loose ends of labor standards laws covering Federal and federally assisted construction projects that have been passed over the years, into a coherent and consistent law.

Specifically, it will clarify standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia.

The 8-hour-day laws go back to 1892, and have not been revised or unified since 1940. We must bear in mind two important changes that have occurred in the American economy within our time. The first is the improvement in labor standards, and the second is the increasing participation by the Federal Government in construction programs where the Federal share of assistance goes as high as 90 percent. The confusion resulting from complicated and overlapping statutes opens the door to the lowering of these standards on work done with financial assistance of the Federal Government.

We are advised by the Committee on Education and Labor after extensive study of the problem, as follows:

H.R. 10786 would improve the present 8-hour laws in three major respects: (1) By replacing the uncoordinated and confusing series of laws enacted at different times with a single statute simplifying and clarifying the present provisions; (2) by modernizing its hour standards through addition of a provision for a standard workweek of 40 hours with not less than time-and-one-half pay for work in excess of 40 per week; and (3) by making the laws' standards applicable to those federally financed and assisted contracts with respect to which Federal legislation provides for the payment of prevailing or minimum wages.

The laws on this subject are often contradictory. The courts and the Comptroller General are in disagreement as to whether one statute gives employees who work overtime the right to collect, by administrative or judicial action, the time-and-one-half compensation if the employer fails to pay it. This bill would make clear the liability of the contractor to reimburse laborers and mechanics to whom he has failed to pay time and one-half for overtime as required by the bill.

Responsible contractors who perform Government contract work covered by the 8-hour laws have adopted the 40-hour standard. However, there are other contractors performing Federal work who require laborers and mechanics to work up to 56 hours a week—seven 8-hour days—without paying them overtime compensation. The bill would modernize the hour standards of the 8-hour laws by adding a requirement for the payment of time and one-half for work in excess of a 40-hour week.

Another needed improvement in the 8-hour laws is an extension of their scope to include work financed in whole or in part by the Federal Government under statutes which require the payment of prevailing or minimum wages. This bill, therefore, provides that its hour standards shall apply to all contracts for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work.

The Wage Hours Act of 1962 will bring order out of confusion and will help everyone concerned to comply with the standards set forth.

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, there has been a great deal of talk here, it seems to me, about some exceptions to this bill that we are trying to pass. We are not dealing with or amending the Davis-Bacon Act at all. We are dealing with wage-hour legislation. The amendments just offered by the gentleman from California clearly state that all of the provisions of former acts in projects that are financed by loans or guarantees by the Government will not be covered by this act. In this particular type of project you have the individual house for sale carrying an individual mortgage. You have the apartment-type project built to house families forced to move from slum clearance areas. You have the agencies affected under this particular amendment, which will not be required to comply with the 40-hour coverage, or the Federal Housing Administration, Community Facilities Administration, the Housing and Home Finance Agency, and military branches responsible for housing under section 1748. In other words, this does not increase the cost for so-called public housing and so-called veterans' housing and so-called apartment buildings for slum clearance unless it is a direct grant, and under those provisions we naturally expect to cover.

In addition to a need for revising the language of the 8-hour laws to eliminate complicated and overlapping provisions, the present overtime provisions need amendment. Congress has established a straight-time workweek of 40 hours for Federal employment, for work connected with interstate commerce under the wage and hour law, and for work on Federal supply contracts under the Walsh-Healey Act. Many responsible contractors who perform Government contract work covered by the 8-hour laws have adopted this 40-hour standard. However, there are other contractors performing Federal work who require laborers and mechanics to work up to 56 hours a week—seven 8-hour days—without paying them overtime compensation. The bill would modernize the hour standards of the 8-hour laws by adding a requirement for the payment of time and one-half for work in excess of a 40-hour week.

This would make the 8-hour laws consistent with the Walsh-Healey Act and the wage and hour laws.

The present bill would make another needed improvement by making applicable the work and overtime standards to laborers and mechanics working under federally financed construction programs wherein Congress has provided the labor standards in their enactment. Therefore, I believe that the bill merits your support.

The question may arise regarding the bill as to what particular areas would be covered under the wording of the bill on page 4, line 14:

Which is a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work.

The bill would be applicable to the following Federal laws:

First. Federal-Aid Highway Act of 1956 and Highway Act of 1958.

Second. National Housing Act, as amended.

Under this act housing covered would be civilian housing projects, military housing projects, housing for the elderly, nursing homes, cooperative groups of individual houses of eight or more when under a single mortgage, and college housing. Excluded would be individual houses built for sale regardless of the number of houses in any one development when each house is subject to its own mortgage. Also excluded would be any apartment-type project built to house families forced to move from a slum clearance area.

Third. Hospital Survey and Construction Act.

Fourth. Federal Airport Act.

Fifth. School Survey and Construction Act of 1950.

Sixth. Defense Housing and Community Facilities and Services Act of 1951.

Seventh. Area Redevelopment Act of 1961.

Eighth. Water Pollution Control Act of 1961.

Ninth. Federal Civil Defense Act of 1950.

Tenth. Housing Act of 1949.

This would include low-rent public housing, slums clearance and urban renewal.

All the preceding laws were passed at different times by the Congress and each of them provide minimum or prevailing wage standards. Some of the acts; namely, college housing, area redevelopment, Federal civil defense, and military housing, provide some hours standards; that is, an 8-hour day or 40-hour week. But most do not have any such hours standards and hence the present bill would apply to 8-hour and 40-hour laws provisions to them along with making both applicable to those laws where there is only an 8-hour or 40-hour standard.

Mr. GROSS. Mr. Speaker, when the gentleman from Georgia [Mr. LANDRUM] asked the gentleman from California [Mr. ROOSEVELT] why this legislation was being brought up under the harsh procedure of suspension of the rules, the reply of the gentleman from California was that it was necessary because of a legislative logjam. Now, if there is a legislative logjam this is the first I have heard of it, and I do not believe the leadership of the House will corroborate the statement that there is a legislative logjam. If there is, we have no business taking an Easter recess.

Where is this logjam that the gentleman from California talks about that makes it necessary to bring this legislation up under suspension of the rules with no opportunity to amend the bill, with only 40 minutes of debate, and no printed hearings?

I protest this kind of legislative procedure, Mr. Speaker.

Mr. ROOSEVELT. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. SMITH].

(Mr. SMITH of Iowa asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Iowa. Mr. Speaker, the various 8-hour laws enacted at different times go back as far as 1892 and have not been revised or unified since 1940. Testimony indicated that because of the various conflicting, overlapping, inconsistent, and ambiguous provisions in the present 8-hour laws, businessmen, the Government and unions have a most difficult time in following these laws.

As my distinguished colleague mentioned, this bill is substantially similar to the draft bill sent to the House by the previous administration. Like some of the other speakers, I think we should also review the operation of the Davis-Bacon Act but this bill has nothing to do with the Davis-Bacon Act which concerns prevailing wage rates in local communities. This bill applies to hours of work performed and helps reduce the conflicts, ambiguity, overlapping and inconsistent interpretations possible under existing laws.

Mr. ROOSEVELT. Mr. Speaker, I have only one more request for time.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Under suspension of the rules it is not necessary to rotate time. Is that correct?

The SPEAKER pro tempore. The proponents of the measure are entitled to close the debate.

Mr. GROSS. A further parliamentary inquiry: All rules are suspended under a suspension of the rules. Is that not correct?

The SPEAKER pro tempore. That is a matter under the control of the House caucus.

The gentleman from California [Mr. HIESTAND] is recognized.

Mr. HIESTAND. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, I want at this time to propound a question to my friend from California [Mr. ROOSEVELT]. It is the understanding on this side of the aisle that there is an amendment to be proposed. It is my further understanding that the amendment is acceptable to the gentleman from California and the Members on the Democratic side. My inquiry is whether an amendment can be offered to a bill under suspension of the rules. Will the gentleman express himself on that?

Mr. ROOSEVELT. I will be happy to. During the committee deliberations I agreed to accept an amendment that was to be prepared by the gentleman from Michigan [Mr. GRIFFIN]. He prepared it, and it was agreed to by the leadership. The bill was called up under suspension of the rules and at that time the amendment was read and included in the bill.

Mr. AVERY. It was the gentleman's motion to suspend the rules and further to consider the amendment offered by the gentleman from Michigan. Is that correct?

Mr. ROOSEVELT. It was offered as a committee amendment. I have told the House that while it was a committee amendment it was proposed by the gentleman from Michigan. I wanted to give the gentleman all the credit to which he was entitled.

Mr. AVERY. I only wanted to make it abundantly clear that the amendment was in order.

Mr. ROOSEVELT. It is.

Mr. WAGGONER. Mr. Speaker, will the gentleman from California yield for a question?

Mr. ROOSEVELT. I yield to the gentleman from Louisiana.

Mr. WAGGONER. Is it my understanding that the provisions of this act will not apply unless the act specifies that the Wage and Hours law applies?

Mr. ROOSEVELT. The gentleman is correct.

Mr. WAGGONER. Further, then, under the amendment proposed we are correct in assuming that it will not apply to any construction where the only Government participation is in the way of a loan guarantee or insurance?

Mr. ROOSEVELT. If I understood the gentleman correctly, it does not apply under those provisions that he mentions.

Mr. WAGGONER. Then, specifically, this act does not apply to multiple hous-

ing, standard projects, or private housing?

Mr. ROOSEVELT. In the case of private housing the gentleman is correct because that is a guarantee status.

Mr. WAGGONER. But it does apply to area redevelopment.

Mr. ROOSEVELT. The answer is, "Yes," it does apply to area development.

Mr. WAGGONER. Do we have the gentleman's word that he will stand by this amendment in conference?

Mr. ROOSEVELT. The gentleman has my word that I will stand by it in conference.

The SPEAKER pro tempore. Might the Chair inquire of the gentleman from California how many more speakers he has?

Mr. ROOSEVELT. The gentleman from California has no more speakers, but wishes to yield briefly to several Members to submit consent requests.

The SPEAKER pro tempore. The gentleman from California [Mr. HIESTAND] has 3 minutes remaining.

Mr. HIESTAND. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. FRELINGHUYSEN].

Mr. FRELINGHUYSEN. Mr. Speaker, I take this time to ask the gentleman from California a question with respect to the amendment which is being considered in the form of additional language to the language on page 4. I wonder why any additional language is needed—in the form of this proviso, instead of striking language in lines 15 and 16 which says "for loans insured or guaranteed by"—why we are restricting the effect of the language and not simply striking all reference to guarantees and loans?

Mr. ROOSEVELT. I am sure there are several ways it could be done. But this language was prepared by the gentleman from Michigan, in order to make sure we had that language rather than striking anything. This was deemed the proper way to do it.

Mr. FRELINGHUYSEN. This language simply negates the language "insured or guaranteed by"? Or does it have some different significance?

Mr. ROOSEVELT. That is all it does.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. HIESTAND. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Speaker, I take this short time to rise in favor of this legislation as it will be amended, as proposed by the gentleman from California. The bill brings together all of the various disjointed Federal laws that apply to 8-hour and 40-hour standards. We have today most of these provisions written individually and in separate acts that have different impacts and have to be interpreted in each case somewhat differently. I think it is worth while to put them all in one coordinated act. I would emphasize, however, that this bill will extend the 8-hour Federal standard and the 40-hour week Federal standard to a number of Federal programs to which it does not apply today. These include hospital construction, airport construction, impacted areas school aid

construction, Highway and Water Pollution Control Act construction, urban renewal and slum clearance, college housing, housing for the elderly, low rent public housing and others. I favor this extension and am happy to support it, particularly in view of the acceptance by the gentleman from California [Mr. ROOSEVELT] of the amendment which makes it clear that Federal work standards should not be applied merely because the Federal Government is guaranteeing or insuring a private loan.

Mr. HIESTAND. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Speaker, I wish to associate myself with the remarks that have been made by the gentleman from Michigan [Mr. GRIFFIN] and the gentleman from New York [Mr. GOODELL].

I believe this is a step in the right direction and, with the majority accepting the amendment of the gentleman from Michigan, I will support the bill.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Georgia.

Mr. LANDRUM. I want to ask the gentleman from New York, [Mr. GOODELL], or the gentleman from California [Mr. ROOSEVELT], either of whom may answer, if to loans made by the Small Business Administration the provisions of this act would apply in the construction of any facilities built with funds from those loans?

Mr. ROOSEVELT. The answer to that is "No."

Mr. LANDRUM. Why?

Mr. ROOSEVELT. Because the Small Business Administration law does not encompass wages or hours under loans made under the Small Business Act.

Mr. LANDRUM. This does not apply?

Mr. ROOSEVELT. Not, to my knowledge, under the Small Business Act.

Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. FALLON].

Mr. FALLON. Mr. Speaker, I would like to ask the gentleman from California a question. In the 1956 Highway Act, when the Congress passed the interstate program 90-10 provision, 90 Federal and 10 State, the Davis-Bacon provision was included in that act. And has never been extended to what is known as the A-B-C program, which is financed on a 50-50 basis. That is known as the secondary farm to market program. Does this legislation before us today extend the Davis-Bacon Act to the A-B-C program?

Mr. ROOSEVELT. The answer is, "No, it does not extend it to the program which the gentleman mentioned."

Mr. FALLON. I thank the gentleman.

Mr. ROOSEVELT. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. PUCINSKI].

(Mr. PUCINSKI asked and was given permission to revise and extend his remarks.)

Mr. PUCINSKI. Mr. Speaker, I rise in support of this legislation.

The present bill would rectify a situation which exists today in the construc-

tion industry. That is, it would provide a 40-hour week for laborers and mechanics working on Federal construction. Presently unfair contractors and subcontractors have taken advantage of this situation and have worked their laborers and mechanics up to 56 hours a week without any overtime pay. The device to avoid overtime consists of scheduling a 7-day week of 8 hours per day.

The present 8-hour laws require only payment of overtime for any work beyond 8 hours in a given day. The present bill would require the payment of any overtime for work in excess of 40 hours per week on any contract into which the Federal Government actually puts up the money. The bill before us as amended would continue to exclude those construction projects on which the Federal Government has merely guaranteed—or underwritten payment in case of default—but has not put up any funds in the first instance. It would also continue to exclude hour standards on veterans housing and other federally insured projects on which the Government does not now set minimum wage standards. This 40-hour-week language is provided for in the existing Walsh-Healey Act which covers Government procurement of supplies and in the Fair Labor Standards Act.

Therefore, I urge your support to pass this bill and relieve the intolerable situation which I made reference to previously.

Mr. ROOSEVELT. Mr. Speaker, I yield myself the balance of the time.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. Yes, briefly.

Mr. LANDRUM. The gentleman, in reply to a question a few minutes ago, said that on construction being built with funds derived from a Small Business Administration loan, the terms of this act would not apply. Can the gentleman cite me the section of the Small Business Act which makes that exemption?

Mr. ROOSEVELT. The gentleman will have to state that if the gentleman from Georgia will look at the Small Business Act, he will find that there is no extension in that act by the Congress of authority to the Secretary of Labor to set any wage standards of any kind, hours or otherwise. This bill only extends to those areas where the Congress has already set that authority.

Mr. GOODELL. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. Briefly.

Mr. GOODELL. I take it you are referring in this bill to page 4, lines 17 and 18, where one of the requirements for this act to apply to a given contract is that under any statute of the United States providing wage standards for such work this shall apply, and your answer is that the Small Business Administration Act does not provide wage standards for that work.

Mr. ROOSEVELT. The gentleman is correct.

Mr. Speaker, in conclusion, I think that we have pretty well cleared up whatever misunderstanding might have

arisen. I think we have taken care of the principle which the gentleman from Michigan raised. That was that where there is no Federal money actually being spent or being loaned under the laws already set down by the Congress, the bill would not extend its provisions to this area.

Therefore, it would seem to me, Mr. Speaker, that without question, because of the bipartisan measure which we have before us, that this bill be passed. It is forward-looking legislation, necessary legislation, and I consequently urge its adoption.

Mr. HARSHA. Mr. Speaker, there is a great need in labor standards legislation for a single general Hours Act to revise and replace the group of complicated and overlapping statutes. Those colleagues on the right side of the aisle should be interested in knowing that President Eisenhower in his 1960 Economic Report to Congress recommended the enactment of legislation to revise ambiguous and outmoded provisions of the 8-hour laws applying to Federal and federally assisted construction projects. This bill, H.R. 10786 as it is now amended is certainly a bipartisan measure which will eliminate discrimination against the worker. I think we have all come to realize that a 40-hour week is standard procedure and certainly during these times of great unemployment to work an individual under the terms of the 8-hour laws as they now apply is unconstitutional when so many others are overworked. As has been pointed out, contractors under existing laws require laborers and mechanics to work up to 56 hours a week by working them 8 hours a day, 7 days a week. Yet they do not pay them any overtime for work in excess of the 40 hours. Congress has recognized a 40-hour workweek for Federal employees, for work connected with interstate commerce, and for work contracts under the Walsh-Healey Act. It is only fair that this existing inequity in the present law be abolished. Many responsible contractors who perform contract work covered by the 8-hour laws have adopted this universally recognized 40-hour standard. However, there are unscrupulous contractors performing Federal work who require laborers and mechanics to work up to 56 hours a week. So this corrective legislation as urged by former President Eisenhower should be adopted. I hope my colleagues on the right side of the aisle will give this bill their bipartisan support.

The SPEAKER. The question is on the motion of the gentleman from California [Mr. ROOSEVELT] that the House suspend the rules and pass the bill H.R. 10786.

Mr. HIESTAND. Mr. Speaker, on that I demand a division.

The question was taken; and on a division (demanded by Mr. HIESTAND) there were—ayes 163, noes 46.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the bill just passed prior to its passage.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MILITARY CONSTRUCTION AUTHORIZATION FOR FISCAL YEAR 1963

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 597 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11131) to authorize certain construction at military installations, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. ST. GEORGE], and yield myself such time as I may consume.

(Mr. TRIMBLE asked and was given permission to revise and extend his remarks.)

Mr. TRIMBLE. Mr. Speaker, House Resolution 597 provides for the consideration of H.R. 11131, a bill to authorize certain construction at military installations, and for other purposes. The resolution provides for an open rule with 2 hours of general debate.

The purpose of H.R. 11131 is to provide construction and other related authority for the military departments, within and outside the United States, and authority for construction of facilities for the Reserve components.

The bill would provide the military departments and the Department of Defense with new construction authority in the amount of \$1,518,287,000 and deficiency authorization in the amount of \$5,910,000, a total of \$1,524,197,000 in construction authority.

The deficiency authorization request in this bill is very modest. Total amount requested is approximately \$6 million. Practically the entire amount of this total is the result of unanticipated rehabilitation costs experienced by the Navy in remodeling Bancroft Hall at the Naval Academy.

Despite the large amount of new construction authorization requested for fiscal year 1963, there are no new major installations in the bill with the exception of one item of a classified nature,

and the Armed Services Committee found it to be justified.

Land acquisitions in the bill involve relatively little acreage when compared with previous years. The total land acquisition authority requested amounts to less than 700 acres and includes land for certain classified requirements. This contrasts very favorably with the fact that the Committee on Armed Services was advised that departments have reduced their inventory of landholdings by almost 2 million acres during the past year.

Mr. Speaker, I urge the adoption of House Resolution 597.

Mr. Speaker, I reserve the balance of my time.

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this bill, H.R. 11131, comes to us from the Committee on Armed Services, a committee in which we have the utmost confidence and a committee that always prepares its legislation thoroughly and completely. It is a big bill; that is to say, it is a big bill in point of dollars and cents. How can we quarrel with it? How can we go into all the details? As a matter of fact, it is rather impossible. We cannot set ourselves up as knowing all these details. Many of them are top secret, and they should be. For that reason I think the House of Representatives will as usual repose the utmost confidence and trust in this great committee and in its chairman, who has given up most of his life to the furthering of the defenses of our country.

There is only one point I would like to bring up. I brought it up once before in the Committee on Rules and I think it is still worthy of consideration, although I was told at that time that the matter had been carefully gone into and that there was no reason for alarm. I am disturbed by the amount of money that is being set aside to be spent in Okinawa. I understand that there is every reason to believe that Okinawa is gradually being evacuated. I also understand that Okinawa is gradually being given back to Japan; that is, a little more power is being given to Japan all the time. I think this should be very carefully considered. It has come out recently in the public press; and while it is a small amount when we compare it to the total of the bill, I still think that we should be a little more careful about spending money if it is not necessary.

There are a great many reasons why it seems to me that Okinawa probably should not be held completely very much longer. It is not being held. I see my friend, the lady from Illinois, Mrs. CHURCH, shaking her head in agony. But I would like to point out to her that what I am saying is merely a statement of fact. We already have given away a great deal there. Now it is a question whether we want to strengthen our position, which I am sure would be highly desirable. We have either got to fish or cut bait.

Mrs. CHURCH. Mr. Speaker, will the gentlewoman from New York yield?

Mrs. ST. GEORGE. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. Mr. Speaker, since the gentlewoman has described my agony in no uncertain terms, I would say that it arises from my shock at hearing her say that she felt that we should in any sense retire from or weaken our position in Okinawa. I realize that there are some trusting souls or hopeful souls within the administration who have given some evidence of feeling that we can accommodate ourselves to what appear to be substantial changes in our policy toward Okinawa.

However, I have never heard the situation stated so badly as by the gentlewoman just now. I would like to go on record as saying that, even though it does appear that we may seem to be willing to undermine our defenses in the Pacific and elsewhere in the world, perhaps beyond hope of repair, we should permit no further weakening as regards any determination to hold Okinawa as the bastion of our own defense in the Pacific. And if I am emphatic, my emphasis is not directed at the gentlewoman from New York, I would say. It arises from my conviction that we should not weaken our position one iota, any place in this world.

Mrs. ST. GEORGE. Mr. Speaker, may I say to the gentlewoman that I am strongly inclined to agree with her. I am also delighted that my baldness has elicited this statement from her because I think it is something that needs to be said. I do think that we have not faced up to the situation across the Pacific. I think we ought to go into it very closely. I think it is no good simply saying, "Oh, no, everything is all right," and brushing it under the rug. Everything is not all right and the rug is not quite big enough to hold all the things that we want to brush under it.

So, for that reason, I would like to call the attention of the House to this matter. Maybe I am overworried, maybe I appear as a timid soul; but I can assure my colleague that I am not a timid soul nor afraid. But I think we have to face up to the facts. I think we ought to try to find them out. I do not feel we have found them out quite yet.

Mr. Speaker, apart from this one little item—and it is a small item—I think this bill is eminently well prepared. I am sure everything in it is necessary and I am sure that the committee has looked into every possibility of restraining themselves and not being too extravagant.

Mr. TRIMBLE. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, in view of the question raised by the gentlewoman from New York [Mrs. ST. GEORGE] I think it is highly important that the House be informed about correspondence that has taken place between the Committee on Armed Services and the Department of Defense with reference to Okinawa.

Therefore, Mr. Speaker, I ask unanimous consent that the Clerk be directed to read a letter that I addressed to the Secretary on April 3 and the Secretary's letter in reply of April 11, shedding light on the Okinawa situation, with reference to the jurisdiction of the High Commis-

87TH CONGRESS
2D SESSION

H. R. 10786

IN THE SENATE OF THE UNITED STATES

APRIL 17, 1962

Read twice and referred to the Committee on Labor and Public Welfare

AN ACT

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Work Hours Act of 1962"
4 and title I may be cited as the "Contract Work Hours
5 Standards Act".

6 SEC. 2. As used in this Act, the term "this Act" means
7 the Work Hours Act of 1962 except in title I, where it means
8 the Contract Work Hours Standards Act.

1 TITLE I—CONTRACT WORK HOURS STANDARDS
2 ACT

3 SEC. 101. As used herein, the term “Secretary” means
4 the Secretary of Labor, United States Department of Labor.

5 SEC. 102. (a) Notwithstanding any other provision of
6 law, the wages of every laborer and mechanic employed
7 by any contractor or subcontractor in his performance of
8 work on any contract of the character specified in section
9 103 shall be computed on the basis of a standard workday
10 of eight hours and a standard workweek of forty hours,
11 and work in excess of such standard workday or workweek
12 shall be permitted subject to the provisions of this section.
13 For each workweek in which any such laborer or mechanic
14 is so employed, such wages shall include compensation, at
15 a rate not less than one and one-half times the basic rate
16 of pay, for all hours worked in excess of eight hours in any
17 calendar day or in excess of forty hours in the workweek,
18 as the case may be.

19 (b) The following provisions shall be a condition of
20 every contract of the character specified in section 103 and
21 of any obligation of the United States, any territory, or
22 the District of Columbia in connection therewith:

23 (1) No contractor or subcontractor contracting for any
24 part of the contract work which may require or involve the
25 employment of laborers or mechanics shall require or permit

any laborer or mechanic, in any workweek in which he is employed on such work, to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek except in accordance with the provisions of this Act; and

(2) In the event of violation of the provisions of paragraph (1), the contractor and any subcontractor responsible therefor shall be liable to such affected employee for his unpaid wages and shall, in addition, be liable to the United States (or, in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages as provided therein. Such liquidated damages shall be computed, with respect to each individual employed as a laborer or mechanic in violation of any provision of this Act, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by this Act. The governmental agency for which the contract work is done or by which financial assistance for the work is provided may withhold, or cause to be withheld, subject to the provisions of section 104, from any moneys payable on account of work performed by a contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liability

1 ties of such contractor or subcontractor for unpaid wages and
2 liquidated damages as herein provided.

3 SEC. 103. (a) The provisions of this Act shall apply,
4 except as otherwise provided, to any contract which may re-
5 quire or involve the employment of laborers or mechanics
6 upon a public work of the United States, of any territory,
7 or of the District of Columbia, and to any other contract
8 which may require or involve the employment of laborers
9 or mechanics if such contract is one (1) to which the United
10 States or any agency or instrumentality thereof, any terri-
11 tory, or the District of Columbia is a party, or (2) which is
12 made for or on behalf of the United States, any agency or
13 instrumentality thereof, any territory, or the District of
14 Columbia, or (3) which is a contract for work financed in
15 whole or in part by loans or grants from, or loans insured
16 or guaranteed by, the United States or any agency or instru-
17 mentality thereof under any statute of the United States pro-
18 viding wage standards for such work: *Provided*, That the
19 provisions of section 102, shall not apply to work where the
20 assistance from the United States or any agency or instru-
21 mentality as set forth above is only in that nature of a loan
22 guarantee, or insurance. Except as otherwise expressly
23 provided, the provisions of the Act shall apply to all labor-
24 ers and mechanics, including watchmen and guards, em-
25 ployed by any contractor or subcontractor in the perform-

1 ance of any part of the work contemplated by any such
2 contract, and for purposes of this Act, laborers and mechanics
3 shall include workmen performing services in connection with
4 dredging or rock excavation in any river or harbor of the
5 United States or of any territory or of the District of Colum-
6 bia, but shall not include any employee employed as a
7 seaman.

8 (b) This Act shall not apply to contracts for transporta-
9 tion by land, air, or water, or for the transmission of intelli-
10 gence, or for the purchase of supplies or materials or articles
11 ordinarily available in the open market. This Act shall not
12 apply with respect to any work required to be done in ac-
13 cordance with the provisions of the Walsh-Healey Public
14 Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

15 SEC. 104. (a) Any officer or person designated as in-
16 specter of the work to be performed under any contract of
17 the character specified in section 103, or to aid in the en-
18 forcement or fulfillment thereof shall, upon observation or
19 investigation, forthwith report to the proper officer of the
20 United States, of any territory or possession, or of the
21 District of Columbia, all violations of the provisions of this
22 Act occurring in the performance of such work, together
23 with the name of each laborer or mechanic who was required
24 or permitted to work in violation of such provisions and the

1 day or days of such violation. The amount of unpaid wages
2 and liquidated damages owing under the provisions of this
3 Act shall be administratively determined and the officer or
4 person whose duty it is to approve the payment of moneys
5 by the United States, the territory, or the District of Colum-
6 bia in connection with the performance of the contract work
7 shall direct the amount of such liquidated damages to be with-
8 held for the use and benefit of the United States, said terri-
9 tory, or said District, and shall direct the amount of such un-
10 paid wages to be withheld for the use and benefit of the
11 laborers and mechanics who were not compensated as re-
12 quired under the provisions of this Act. The Comptroller
13 General of the United States is hereby authorized and di-
14 rected to pay directly to such laborers and mechanics, from
15 the sums withheld on account of underpayments of wages,
16 the respective amounts administratively determined to be
17 due, if the funds withheld are adequate, and, if not, an equi-
18 table proportion of such amounts.

19 (b) If the accrued payments withheld under the terms
20 of the contracts, as aforesaid, are insufficient to reimburse all
21 the laborers and mechanics with respect to whom there has
22 been a failure to pay the wages required pursuant to this
23 Act, such laborers and mechanics shall, in the case of a
24 department or agency of the Federal Government, have the
25 rights of action and/or of intervention against the contractor

1 and his sureties conferred by law upon persons furnishing
2 labor or materials, and in such proceedings it shall be no
3 defense that such laborers and mechanics accepted or agreed
4 to accept less than the required rate of wages or voluntarily
5 made refunds.

6 (c) Any contractor or subcontractor aggrieved by the
7 withholding of a sum as liquidated damages as provided in
8 this Act shall have the right, within sixty days thereafter, to
9 appeal to the head of the agency of the United States or of
10 the territory for which the contract work is done or by which
11 financial assistance for the work is provided, or to the Com-
12 missioners of the District of Columbia in the case of liqui-
13 dated damages withheld for the use and benefit of said Dis-
14 trict. Such agency head or Commissioners, as the case may
15 be, shall have authority to review the administrative deter-
16 mination of liquidated damages and to issue a final order
17 affirming such determination; or, if it is found that the sum
18 determined is incorrect or that the contractor or subcon-
19 tractor violated the provisions of this Act inadvertently not-
20 withstanding the exercise of due care on his part and that
21 of his agents, recommendations may be made to the Secre-
22 tary that an appropriate adjustment in liquidated damages
23 be made, or that the contractor or subcontractor be relieved
24 of liability for such liquidated damages. The Secretary shall
25 review all pertinent facts in the matter and may conduct

1 such investigations as he deems necessary, so as to affirm or
2 reject the recommendation. The decision of the Secretary
3 shall be final. In all such cases in which a contractor or
4 subcontractor may be aggrieved by a final order for the with-
5 holding of liquidated damages as hereinbefore provided, such
6 contractor or subcontractor may, within sixty days after such
7 final order, file a claim in the Court of Claims: *Provided*,
8 *however*, That final orders of the agency head, the Commis-
9 sioners of the District of Columbia or the Secretary, as the
10 case may be, shall be conclusive with respect to findings of
11 fact if such findings are supported by substantial evidence.

12 (d) Reorganization Plan Numbered 14 of 1950 (15
13 F.R. 3175; 64 Stat. 1267) shall be applicable with respect
14 to the provisions of this Act, and section 2 of the Act of
15 June 13, 1934, as amended (48 Stat. 948, 54 Stat. 1236,
16 63 Stat. 108; 40 U.S.C. 276c), shall be applicable with re-
17 spect to those contractors and subcontractors referred to
18 therein who are engaged in the performance of contracts
19 subject to the provisions of this Act.

20 SEC. 105. The Secretary may provide such reasonable
21 limitations and may make such rules and regulations allow-
22 ing reasonable variations, tolerances, and exemptions to and
23 from any or all provisions of this Act as he may find neces-
24 sary and proper in the public interest to prevent injustice or

1 undue hardship or to avoid serious impairment of the con-
2 duct of Government business.

3 SEC. 106. Any contractor or subcontractor whose duty
4 it shall be to employ, direct, or control any laborer or
5 mechanic employed in the performance of any work contem-
6 plated by any contract to which this Act applies, who shall
7 intentionally violate any provision of this Act, shall be
8 deemed guilty of a misdemeanor, and for each and every such
9 offense shall, upon conviction, be punished by a fine of not
10 to exceed \$1,000 or by imprisonment for not more than six
11 months, or by both such fine and imprisonment, in the dis-
12 cretion of the court having jurisdiction thereof.

13 TITLE II—MISCELLANEOUS AND EFFECTIVE
14 DATE

15 SEC. 201. The proviso of section 23 of the Act of March
16 28, 1934 (48 Stat. 509, 522), as amended, is hereby
17 amended to read as follows: "*Provided*, That the regular
18 hours of labor are hereby established at not more than
19 eight per day or forty per work, but work in excess of such
20 hours shall be permitted when administratively determined
21 to be in the public interest: *Provided further*, That overtime
22 work in excess of eight hours per day or in excess of forty
23 hours per week shall be compensated for at not less than
24 time and one-half the basic rate of compensation, except

1 that employees subject to this section who are regularly
2 required to remain at or within the confines of their post
3 of duty in excess of eight hours per day in a standby or
4 on-call status shall be paid overtime rates only for hours
5 of duty, exclusive of eating and sleeping time, in excess
6 of forty per week.”

7 SEC. 202. (a) Section 1499 of title 28, United States
8 Code, is hereby amended to read as follows:

9 **“§ 1499. Liquidated damages withheld from contractors**
10 **under Contract Work Hours Standards Act**

11 “The Court of Claims shall have jurisdiction to render
12 judgment upon any claim for liquidated damages withheld
13 from a contractor or subcontractor under section 104 of
14 the Contract Work Hours Standards Act.”

15 (b) The Court of Claims shall continue to have juris-
16 diction to render judgment upon any claim for a penalty
17 withheld from a contractor or subcontractor under section
18 324 of title 40, United States Code, in connection with any
19 contract subject to said section existing on the effective
20 date of this Act, or thereafter entered into pursuant to
21 invitations for bids that are outstanding at the time of the
22 enactment of this Act.

23 SEC. 203. The following statutes are hereby repealed:
24 Sections 1 and 2 of the Act of August 1, 1892 (27 Stat.
25 340; 40 U.S.C. 321, 322), as amended by the Act of March

1 3, 1913 (37 Stat. 726) ; sections 892 and 893 of the Act
2 of March 3, 1901 (31 Stat. 1334; D.C. Code, 1961 edition,
3 secs. 22-3407, 3408) ; the Act of June 18, 1912 (37 Stat.
4 137; 40 U.S.C. 324, 325), as amended by the Act of June
5 25, 1948 (62 Stat. 989) ; that portion of the Naval Service
6 Appropriation Act, 1918 (Act of March 4, 1917, 39 Stat.
7 1192), which is codified as section 326 of title 40 of the
8 United States Code (1952 edition) ; and section 303 of the
9 Second Supplemental Defense Appropriations Act, 1941 (54
10 Stat. 884; 40 U.S.C. 325a). The provisions of such statutes
11 shall, notwithstanding, continue to apply with respect to
12 contracts existing on the effective date of this Act or entered
13 into pursuant to invitations for bids that are outstanding at
14 the time of the enactment of this Act.

15 SEC. 204. This Act shall take effect sixty days after
16 its enactment, but shall not affect any contract then existing
17 or any contract that may thereafter be entered into pursuant
18 to invitations for bids that are outstanding at the time of the
19 enactment of this Act.

Passed the House of Representatives April 16, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

AN ACT

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

APRIL 17, 1962

Read twice and referred to the Committee on Labor
and Public Welfare

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued July 5, 1962
For actions of July 3, 1962
87th-2d, No. 112

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HIGHLIGHTS: Sen. Williams, Del., criticized sales under 1959-60 cotton purchase programs. Sen. Proxmire submitted amendment to modify sugar allocations. Sen. Dworshak defended Republicans against blame for farm bill defeat. Sen. Humphrey urged reexamination of budget process. Sen. Mundt criticized administration's farm program.

SENATE

1. COTTON. Sen. Williams, Del., referred to a GAO report calling attention "to what appears to be a conflict of interest in the sale of certain Government cotton" under the 1959 and 1960 cotton purchase programs of CCC which "involves the sale of 2.7 million bales of cotton at a price of over \$400 million wherein the agents acting on behalf of the U. S. Government were selling this cotton to themselves oftentimes as the only bidder," charged that this procedure was an "outrage," and inserted the GAO report. pp. 11777-82
2. SUGAR. Sen Proxmire submitted an amendment to the Mansfield amendment on sugar quota allocations proposed to H. R. 8050, relating to importation of honeybees, which he stated would have the advantage "of saving \$8,400,000 for the American taxpayer in Treasury payments, and of retaining an additional 150,000 tons in the global sugar quota - to be bought at world prices and kept available for Cuba in the event Cuban Communists are overthrown." pp. 11795-6
3. PUBLIC WELFARE; FARM LABOR. Began debate on H. R. 10606, to extend and improve the public assistance and child welfare services programs of the Social Security Act (pp. 11769-77, 11782-4, 11789-94, 11801-11). Agreed to an amendment by Sen. Williams, N. J., to authorize the appropriation of \$750,000 to provide matching grants to the States to establish day-care centers for the children of migrant farm families (pp. 11790-2).

4. FORESTRY. The Subcommittee on Public Lands of the Interior and Insular Affairs Committee voted to report to the full committee without recommendation S. 2387, to provide for the establishment of the Canyonlands National Park in Utah (this bill involves the transfer of certain National Forest lands). p. D552
The Subcommittee on Public Lands of the Interior and Insular Affairs Committee voted to report to the full committee S. Con. Res. 48, expressing the sense of Congress for a study to identify recreation sites along U. S. rivers. p.D552
5. VETERANS LOANS. The Labor and Public Welfare Committee voted to report (but did not actually report) S. 3024, to extend the maximum maturity of Veterans' Administration guaranteed or insured home loans from 30 to 35 years. p. D553
6. PURCHASING. The Labor and Public Welfare Committee voted to report (but did not actually report) H. R. 10786, to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for or with the financial aid of the U. S. for any territory or for the District of Columbia. p. D552
7. FARM PROGRAM. Sen. Dworshak defended the Republicans against blame for defeat of the farm bill in the House and inserted an editorial in support of his position. pp. 11765-6
8. BUDGET. Sen. Humphrey urged a re-examination of the form of the present budget, stated that as "a starting point...we need to look at the merits of the present budget," and inserted several items on the subject. pp. 11758-9
9. EXTENSION SERVICE. Sen. Engle paid tribute to the work of the land-grant colleges on their 100th anniversary. p. 11762
10. HONEYBEES. Sen. Proxmire submitted an amendment intended to be proposed to H. R. 8050, relating to the importation of adult honeybees. p. 11757
11. APPROPRIATIONS; EDUCATION. Sen. Javits submitted amendments intended to be proposed to H. R. 10904, the Labor-HEW appropriation bill, to prohibit payments to educational institutions practicing racial discrimination. p. 11756
12. ADJOURNED until Thurs., July 5. p. 11811

ITEMS IN APPENDIX

13. WATER RESOURCES. Extension of remarks of Rep. Blatnik inserting the report of the Committee on Industrial and Municipal Water Use and Pollution Abatement to the National Rivers and Harbors Congress. pp. A5081-2
Extension of remarks of Sen. Kerr inserting Budget Director David E. Bell's address before the convention, "Financing Our National Program of Water Resource Development." pp. A5084-6
Extension of remarks of Rep. Clem Miller inserting Gen. Frye's, Corps of Engineers, address "reviewing the magnitude of the job that must be done if our Nation's water development needs for the future are to be met." pp. A5122-4
14. LAND-GRANT COLLEGES. Various speeches and insertions commemorating the 100th anniversary of the establishment of land-grant colleges and universities. pp. A5095-6, A5100-1, A5103-4, A5107-9, A5113-5, A5127-8
15. FOREIGN TRADE. Extension of remarks of Rep. Pucinski inserting an article, "Chalk Up Tariff Zero for GOP." pp. A5101-2
Extension of remarks of Rep. Alger inserting a report to his constituents in which he explained his reasons for voting against the trade bill. pp.A5106-7

Daily Digest

HIGHLIGHTS

Senate passed 33 bills on calendar call and worked on social security-medicare bill.

Senate

Chamber Action

Routine Proceedings, pages 11752-11769

Bills Introduced: Two bills were introduced, as follows: S. 3499-3500. Page 11756

Bill Reported: Report was made as follows: S. Con. Res. 66, to designate a National County Music Week (S. Rept. 1676). Page 11755

Bills Referred: Numerous House-passed bills were referred to appropriate committees. Page 11752

Bills Placed on Calendar: H.R. 10022, to extend for 2 years the time during which a certain definition of the term "obsolete vessel" shall be used, and H.R. 11586, to make a temporary increase in the maximum construction differential subsidy that may be paid under the Merchant Marine Act, were ordered to be placed on calendar. Page 11752

Defense Appropriations: Senator Stennis was added as a conferee on H.R. 11289, fiscal 1963 appropriations for the Department of Defense. Page 11757

Labor-HEW Appropriations: Senator Javits and Senator Bush each submitted a notice of intention to move to suspend rules for purpose of proposing an amendment to H.R. 10904, fiscal 1963 appropriations for the Departments of Labor and Health, Education, and Welfare. Pages 11756-11757

Social Security-Medicare: Senate considered H.R. 10606, to extend and improve the public assistance and child welfare services programs of the Social Security Act, adopting the following amendments:

All committee amendments, en bloc, which were thereafter considered as original text for purpose of further amendment; Kerr amendment providing that expenditures made between July 1, 1961, and September 30, 1962, as payments for work performed by a relative with whom a dependent child is living shall be deemed to be considered aid to dependent children or families made under a State plan, if certain stated requirements are met; and Williams (Delaware) amendment author-

izing \$750,000 annually for day-care facilities for children of migrant farmworkers.

Pages 11769-11777, 11782-11784, 11789-11794, 11801-11811

Calendar Call: On call of calendar, 33 measures, of which 29 were private, were passed as follows:

Without amendment and cleared for President:

Coast and Geodetic Survey officers: H.R. 7719, permitting ROTC graduates to accept appointments as commissioned officers in the Coast and Geodetic Survey;

Armed Forces retired pay: H.R. 4330, to validate small overpayments of retired pay to a restricted group of enlisted personnel; and

Private bills: 11 private bills—H.R. 1609, 1899, 2337, 3483, 3492, 3912, 8862, 9180, 9468, 9588, and 10960.

With amendment, to be sent back to House:

Indians: H.R. 5144, to acquire certain lands of the Lower Brule Sioux, South Dakota, for Big Bend Dam and Reservoir;

Indians: H.R. 5165, to acquire certain lands of the Crow Creek Sioux, South Dakota, for Big Bend Dam and Reservoir; and

Private bills: Two private bills—H.R. 1469 and 7369.

Without amendment and cleared for House:

Private bills: Eight private bills—S. 3039, 1974, 2698, 2902, 2908, 2992, 3111, and 3121.

With amendment and cleared for House:

Private bills: Eight private bills—S. 2807, 2844, 3026, 3144, 3177, 1461, 2835, and 3267. Pages 11784-11789

Résumé—Correction: Résumé of Congressional Activity listed in DAILY DIGEST of July 2, page D550, showed the number of measures in the various categories as passed by Senate through June 30, which totals 534, but carried over the total of 421 from the end of May résumé. The Senate has passed 534 measures this session.

Confirmation: One Coast Guard nomination was confirmed. Page 11811

Nominations: One civilian and one judicial nomination were received. Page 11811

Program for Thursday: Senate met at noon and adjourned at 4:36 p.m. until noon Thursday, July 5, when it will continue consideration, under debate-limitation agreement, of H.R. 8050, honey bee imports, to be followed by resumption of consideration of H.R. 10606, social security-medicare.

Page 11811

Committee Meetings

(Committees not listed did not meet)

TAX AMENDMENTS

Committee on Finance: Committee concluded hearings on amendments proposed by the Treasury Department on May 10 to sections 13, 15, 16, and 20 (foreign income tax provisions) of H.R. 10650, Internal Revenue Act amendments. Witnesses heard were Ellsworth C. Alvord, U.S. Council for the International Chamber of Commerce; Walter A. Slowinski, U.S. Chamber of Commerce; Dr. Emilio Collado, Standard Oil Co., New Jersey; Stanley Ruttenberg, AFL-CIO; Max Goldman, representing Puerto Rican manufacturers; A. H. Weiss, Harnischfeger Corp.; Ray L. Eppert, Greater Detroit Board of Commerce; and R. S. Sumerwell, Clark Equipment Co.

Committee will meet in executive session on Wednesday, July 11, to consider this bill.

COMMITTEE BUSINESS

Committee on Foreign Relations: Committee met in executive session to receive a briefing from Secretary of State Dean Rusk.

Committee ordered favorably reported H.R. 4441, authorizing funds to the city of New York to defray certain expenses incurred during the 15th General Assembly of the U.N. (amended to establish authorization at \$1.5 million instead of \$3,063,500 as provided in House bill); and a list of nominations for appointment and promotion in the Foreign Service.

PUBLIC LANDS

Committee on Interior and Insular Affairs: Subcommittee on Public Lands ordered favorably reported to the full committee the following bills: H.R. 8134, private bill (amended); H.R. 8484, authorizing establishment of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites, N.Y.; H.R. 9273, repealing obsolete laws relating to military bounty land warrants; S. 55, authorizing establishment of the Fort Bowie National Historic Site, Ariz. (amended); S. 2399, authorizing establishment of the Frederick Douglass National Memorial in the D.C.; S. Con. Res. 48, expressing sense of Congress on making studies to identify remaining shoreline recreation sites along the rivers of the U.S.; and S. 1192, to amend the Mineral Leasing Act with respect to limitations on the leasing of coal lands imposed upon railroads.

Subcommittee ordered reported to the full committee without recommendation S. 2387, providing for the establishment of the Canyonlands National Park in Utah.

RAILROAD MERGERS

Committee on the Judiciary: The Antitrust and Monopoly Subcommittee resumed its hearings on S. 3097, to impose a temporary moratorium on railroad mergers, having as its witnesses James M. Symes, chairman of the board, Pennsylvania Railroad Co., Philadelphia; Jervis Langdon, Jr., president, Baltimore & Ohio Railroad Co., Baltimore; and Leonard H. Murray, president, Soo Line Railroad Co., Minneapolis, all on behalf of the Association of American Railroads.

Hearings continue on Thursday, July 5.

SOVIET TRADE PRACTICES

Committee on the Judiciary: The Internal Security Subcommittee held hearings to receive testimony from Samuel Nakasian, a lawyer specializing in foreign investment and trade, on the Soviet's use of oil as a "cold war" weapon. The witness testified as to why the Soviet is making great price concessions in marketing its oil and what large value it is receiving in its barter negotiations.

Subcommittee recessed subject to call.

COMMITTEE BUSINESS

Committee on Labor and Public Welfare: Committee, in executive session, ordered favorably reported the following: ~~The nomination of Howard William Habermeyer, of Illinois, to be a member of the Railroad Retirement Board; routine nominations in the Public Health Service; S. 917, to provide grant programs for prevention and control of dental diseases (amended); H.R. 10541, to assist States and communities to carry out intensive vaccination programs; H.R. 8556, to amend the National Science Foundation Act so as to require certain additional information to be filed by an applicant for a scholarship (amended); S. 3318, providing medical care for certain Coast and Geodetic Survey retired personnel and their dependents; S. 3319, extending to certain employees in the Trust Territory of the Pacific Islands the benefits of the Federal Employees' Compensation Act; H.R. 10786, establishing work standards for workers employed on Government contract work; S. 2869, affording additional time during which certain blinded veterans may be afforded vocational rehabilitation training; S. 3109, to authorize hospital and medical care for peacetime veterans suffering from noncompensable service-connected disabilities; H.R. 1811, permitting persons eligible for veterans' benefits under war orphans' educational assistance provisions to attend foreign schools under certain circumstances; H.R. 8992, amending certain administrative provisions relating to the VA's Department of Medicine~~

Committee); Town Creek, Ala.; upper Blue River, Okla.; and Thicketty Creek, S.C. (to Public Works Committee). pp. 12320-1

SENATE

13. MIGRATORY LABOR. The Rules Committee reported without amendment S. Res. 360, authorizing additional funds for an investigation of migratory labor (S. Rept. 1707). p. 12324
14. INTERGOVERNMENTAL RELATIONS. The Rules Committee reported with amendment S. Res. 359, authorizing the creation of a Subcommittee on Intergovernmental Relations (S. Rept. 1716). p. 12325
15. LOANS. The Commerce Committee ordered reported, amended, (but did not actually report) H. R. 7336, to promote the production of oysters by propagation of disease-resistant strains. p. D. 572
16. TRANSPORTATION. The Commerce Committee ordered reported (but did not actually report) H. R. 11643, to amend the Interstate Commerce Act in regard to the establishment of through routes and joint rates. p. D. 572
17. FISHERIES. The Commerce Committee ordered reported (but did not actually report) S. 3431, to consent to the amendment of the Pacific Marine Fisheries Compact and to the participation of certain additional States in such compact. p. D. 572
18. LABOR STANDARDS. The Labor and Public Welfare Committee reported without amendment H. R. 10786, to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for or with the financial aid of the U. S. for any territory or for the District of Columbia (S. Rept. 1722). p. 12325
19. APPROPRIATIONS. Sen. McNamara submitted an amendment to H. R. 10904, the Labor-HEW appropriation bill, to increase the proposed appropriation for manpower development and training activities. p. 12335
20. PUBLIC WELFARE; MEDICAL CARE. Continued debate on H. R. 10606, to extend and improve the public assistance and child welfare service programs of the Social Security Act, and the proposed amendment to the bill by Sen. Anderson to provide a program of medical care for the aged. pp. 12334-5, 12363-80, 12381-93
21. LAND CLASSIFICATION. Received from the Assistant Secretary of Interior, a letter reporting that an adequate soil survey and land classification of the lands in the Cow Creek unit, Trinity River division, Central Valley project, has been completed pursuant to Public Law 172, 83rd Congress; to Interior and Insular Affairs Committee. p. 12324
22. FOOD; SURPLUS GRAIN. Sen. Proxmire commended and inserted a newspaper article questioning the wisdom of sending grain to Communist China, and stated that he thinks "it would be a real disaster for us to send that grain to the Communist Chinese government to distribute to its people under present circumstances." pp. 12339-40
23. FINANCE; CREDIT. Sen. Proxmire criticized the action of the Federal Reserve Board in easing margin requirements on stocks while at the same time, in his opinion, following a tight money policy which increases interest rates and will result in credit rationing in many sections of the country. p. 12340

24. FOREIGN AFFAIRS. Sen. Humphrey inserted what he described as the "interesting and timely" address of the President of the Republic of Panama before the Organization of American States, dealing with political and economic problems of the American nations. pp. 12341-2
25. NATIONAL PARKWAY. Sen. Cooper urged enactment of his bill, S. 2474, to provide for an appropriation of sum not exceeding \$175,000 with which to make a survey of proposed national parkway extensions or connections to Blue Ridge Parkway, Great Smokey Mountains National Park, Foothills Parkway, Mammoth Cave National Park, and Natchez Trace Parkway, and inserted the favorable testimony of former Congressman Maurice H. Thatcher at a hearing on this bill. pp. 12342-4
26. FOREIGN TRADE. Sen. Humphrey commended and inserted a newspaper article favoring passage of the pending foreign trade bill. pp. 12393-4

ITEMS IN APPENDIX

27. FARM PROGRAM. Extension of remarks of Rep. Martin inserting the results of a questionnaire including the "Freeman farm program". pp. A5233-4
Extension of remarks of Rep. Laird inserting an editorial criticizing the agricultural marketing program. p. A5259
Extension of remarks of Rep. Roush inserting an exchange of letters between himself and Charles B. Shuman discussing the defeat of the farm bill. p. A5285
28. NATIONAL ECONOMY. Extension of remarks of Rep. Curtis inserting two Wall Street Journal articles criticizing deficit spending, pp. A5235-6
Extension of remarks of Rep. Langford inserting a speech discussing ways to alleviate the cost-price squeeze, pp. A5241-2
29. MEDICARE. Various Senators and Representatives inserted extensions of remarks on the King-Anderson bill and the Kerr-Mills Act, pp. A5247-8, A5249, A5250, A5255, A5275, A5281, A5285.
30. TEXTILES. Extension of remarks of Rep. Hemphill inserting an editorial calling for greater advantages for the domestic cotton textile industry. pp. A5248-9
31. FOREIGN AID. Extension of remarks of Rep. Curtis opposing lobbying activities by ambassadors for foreign aid and inserting an article discussing George Kennan's Activity on aid to Yugoslavia, A5253
32. PEST CONTROL. Extension of remarks of Rep. Lindsay inserting an article which criticizes the pollution of natural resources by chemical pesticides. pp. A5256-7.
33. FOREIGN AGRICULTURE. Extension of remarks of Rep. Zelenko discussing the activities of the Community Development Foundation, pp. A5265-6
34. ELECTRIFICATION. Extension of remarks of Rep. Everett inserting an article praising TVA and REA, p. A5268.
Extension of remarks of Rep. Monagan inserting an article which discusses development of atomic power plants in New England. p. A5240.
35. ROADS. Extension of remarks of Rep. Blatnik inserting a speech to the National Limestone Institute reporting on the progress of highway legislation. pp. A5279-80

WORK HOURS STANDARDS ACT

JULY 11, 1962.—Ordered to be printed

) Mr. McNAMARA, from the Committee on Labor and Public Welfare,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 10786]

The Committee on Labor and Public Welfare, to whom was referred the bill (H.R. 10786) to provide a Work Hours Standards Act to establish standards for hours of work and overtime pay of laborers and mechanics employed in work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes, having considered the same, report favorably thereon and recommend that the bill do pass.

PART I. INTRODUCTORY STATEMENT

H.R. 10786 would bring order to the confusion which now marks the application and enforcement of work standards legislation in employment that results from Federal Government contracts or employment which stems, in whole or in part, from Federal Government financing. In its present form the bill is substantially similar to the measure sent to the committee by former Secretary of Labor James Mitchell on January 13, 1961, and recommended to the 86th Congress by President Eisenhower. It has the full endorsement of the present administration, as can be seen in the volumes of hearing testimony in both Houses of the Congress.

The bill passed the House on April 16, 1962. Hearings were held in the Senate on May 1, 1962, and the bill was reported without amendment by the Senate Committee on Labor and Public Welfare.

PART II. PURPOSES OF THE BILL

1. Codification of existing legislation

The present 8-hour laws, which govern hours of work and overtime pay of laborers and mechanics employed on public work by the Federal Government and its contractors and subcontractors, were enacted at different times between 1892 and 1940. The 1892 statute replaced a statute dating back to the Civil War period. Certain provisions of these laws make it a crime for Government officials or Government contractors and their subcontractors to employ laborers or mechanics more than 8 hours a day. Others, which apply only to contractors and subcontractors, provide a separate and additional contract penalty of \$5 for each day's violation with respect to each worker permitted to work more than 8 hours. Many workers are covered by both provisions, but there are some who are subject to the criminal statute only and others only to the statute providing the \$5 penalty. This bill would consolidate the existing laws into a single statute with simplified provisions which apply in the same way to all contractors and subcontractors performing work coming within its terms.

The committee bill would also eliminate the confusion and inequities which result from a number of conflicting and ambiguous exception provisions contained in the present laws. Some of the exceptions taking particular work out of the laws' coverage are canceled out by exceptions to the exceptions which put it back in again. And although the language of these laws prohibiting more than 8 hours' work in a calendar day has not been changed, there is still another independent statute that has the effect of relieving most contractors and subcontractors from this prohibition if they pay time and one-half overtime compensation for all work over 8 hours a day. The courts and the Comptroller General are in disagreement as to whether the present language of this law also gives the employees who work overtime the right to collect, by administrative or judicial action, the time and one-half compensation if the employer fails to pay it. This bill would make clear the liability of the contractor to reimburse laborers and mechanics to whom he has failed to pay time and one-half for overtime work as required by the bill.

2. Forty-hour week provision

In addition to a need for revising the language of the 8-hour laws to eliminate complicated and overlapping provisions, the present overtime provisions need amendment. Congress has established a straight-time workweek of 40 hours for Federal employment, for work connected with interstate commerce under the wage and hour law, and for work on Federal supply contracts under the Walsh-Healey Act. Many responsible contractors who perform Government contract work covered by the 8-hour laws have adopted this 40-hour standard. However, there are other contractors performing Federal work who require laborers and mechanics to work up to 56 hours a week (seven 8-hour days) without paying them overtime compensation. The bill would modernize the hour standards of the 8-hour laws by adding a requirement for the payment of time and one-half for work in excess of a 40-hour week.

3. Changes in coverage

The third needed improvement in the 8-hour laws is an extension of their scope to include work financed in whole or in part by the

Federal Government under statutes which require the payment of prevailing or minimum wages. The contract work presently covered by the 8-hour laws is work contracted out directly by the Government. When these laws were developed, this coverage made the hour standards applicable to substantially all the work for which Federal funds were expended. This is no longer so. Many non-Federal agencies now do the actual contracting for work that is financed in whole or in part with Federal funds but which is nevertheless subject to Federal supervision or participation in details of spending the funds, and to Federal laws providing for payment of predetermined prevailing or minimum wages. The coverage of a revised hours law should extend to this federally aided work, and the bill so provides.

During House debate on H.R. 10786, the bill was amended to remove from coverage work done under programs that were financed by loans and mortgages which were only guaranteed or insured by the Federal Government. Thus such major activities as those conducted under FHA, and other Federal housing legislation, only guaranteed or insured, are not covered by H.R. 10786. The committee does not recommend that the bill be amended to restore those programs to coverage, and has reported the bill as it passed the House.

Below is a chart of the federally assisted programs that would be brought under the coverage of H.R. 10786. It should be noted that only highway construction accomplished under the program best known as the Interstate System is included in coverage, since that is the only segment of Federal highway construction assistance legislation that contains Federal work standards. The so-called ABC program and other secondary road programs are not covered by the bill.

Federally assisted construction programs with wage standards

Program	Prevailing wages	8-hour provision	40-hour provision	8- and 40-hour provision	Type of financing
Hospital survey and construction (2 U.S.C. 291(n)(5)).	X				Grants $\frac{1}{2}$ to $\frac{3}{4}$ of cost.
Federal airport (49 U.S.C. 1114(b)).	X				Grants to 50 percent of cost.
School (impacted areas) (20 U.S.C. 636b(1)(E)).	X				Formula grants.
Defense Housing and Community Facilities and Services Act 1951 (42 U.S.C. 15921(b)).	X	X			Loans and grants.
Federal Civil Defense Act of 1950 (50 App. U.S.C. 2281(f)).	X			X	50-percent grants.
Area Redevelopment Act of 1961 (Sec. 21, Public Law 87-27, 75 Stat. 47).	X			X	Loans to 65 percent of cost of project grants necessary to complete project.
Delaware River Basin compact (Art. 15.1(f), Public Law 87-328, 75 Stat. 688).	X			X	Commission authorized to negotiate for available financing.
Federal-aid highway, Interstate System only (23 U.S.C. 113).	X				50- to 90-percent grants.
Water Pollution Control Act (33 U.S.C. 466e(f)).	X				30-percent grants.
Housing Act of 1949, slum clearance and urban renewal (42 U.S.C. 1459).	X				Loans of 100 percent of cost, grants up to $\frac{3}{4}$ of cost.
Housing Act of 1950, college housing (12 U.S.C. 1749a(f)).	X		X		Loans of 100 percent of cost.
Housing Act of 1959, for elderly (12 U.S.C. 1701 q.(c)(3)).	X				Loans 98 percent of cost.
U.S. Housing Act of 1937, low-rent public housing (42 U.S.C. 1416(c)).	X				Loans of not more than 90 percent of cost.

During the course of the committee's consideration of H.R. 10786, several questions were raised as to the intended coverage of the bill as it related to activities of the Department of Agriculture, the Tennessee Valley Authority, and the Commonwealth of Puerto Rico. These are discussed below.

DEPARTMENT OF AGRICULTURE

Several of the present programs of the Department of Agriculture are not regarded as within the coverage of present 8-hour legislation. The committee was asked whether H.R. 10786 would bring them under coverage.

Of particular importance was the question relating to the current policies of the Department of Agriculture under which commodity storage and warehousing arrangements are exempted from present 8-hour laws.

Because of the nature of such warehousing and storage agreements, they are regarded as outside the coverage of the 8-hour laws. The reasons for this are best explained in the letter from Secretary of Agriculture Orville L. Freeman, printed below.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 20, 1962.

HON. PAT McNAMARA,
Chairman, Senate Labor Subcommittee,
Washington, D.C.

DEAR SENATOR McNAMARA: This is in response to the oral request of your staff for a statement as to the basis upon which the usual provision with respect to the 8-hour law (40 U.S.C. 324) is omitted from certain warehouse storage agreements with Commodity Credit Corporation.

Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) provides that: "In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce." (15 U.S.C. 714c.)

In the operation of price support programs, it has been necessary under the above-quoted mandate to approve a large number of public warehouses in which producers may store their agricultural commodities and obtain warehouse receipts which are pledged as security for price support loans. If the loans are not paid upon maturity, Commodity Credit Corporation takes full title to the warehouse receipts and the commodity represented thereby in satisfaction of the loan obligation. A uniform storage agreement is entered into between the Corporation and each warehouseman which establishes the terms and conditions of storage with respect to any commodity which he receives from producers and which is subsequently placed under loan. These agreements also cover the storage of the commodity when title is taken over by Commodity Credit Corporation upon maturity of the loan

and any reconcentration by Commodity Credit Corporation of the commodity. The 8-hour law provision has been omitted from such agreements upon a determination that such provision imposed conditions not observed generally by the commercial warehouse storing the commodities involved and, if included in such agreements, would be contrary to the usual and customary arrangements obtaining in the operations of such warehouses, and would impair the utilization of commercial warehouse facilities by Commodity Credit Corporation to the maximum extent practicable consistent with the effective and efficient conduct of its business in effectuating the purposes of the price support program.

The 8-hour law provision is inserted in the Corporation's other contracts to which it would be applicable, such as contracts for processing and packaging of the Corporation's commodities, and for construction of its grain bins.

If H.R. 10786 is enacted into law, in view of the provisions thereof which become self-operative without regard to the inclusion of any provision in the contract, this Department will seek an exemption of Commodity Credit Corporation's warehousing contracts from the Labor Department under section 105 of the act in order that it may discharge its obligations under the provisions of its charter act, above quoted, and remove any question with respect to the exemption of such storage agreement from the new 8-hour law requirements.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

It is the committee's intent that the present work-hours policies of the Department of Agriculture remain unchanged by the enactment of H.R. 10786. Any change in such policy should result only from a thorough congressional appraisal of Federal work standards legislation as applied to agricultural and agriculturally related employment, and not from this kind of legislation.

The Department of Labor concurs in the committee's intent that H.R. 10786 should not change the policies of the Department of Agriculture as they relate to the 8-hour laws. Printed below is a letter from Secretary of Labor Arthur J. Goldberg, outlining the Department's views and planned action following passage of H.R. 10786. The committee agrees entirely with the opinions of and plans submitted by the Secretary. The committee intends that under the powers given the Secretary in section 105, exemptions will be given to those warehousing and storage facility operators who enter into agreements with the Department of Agriculture.

DEPARTMENT OF LABOR,
Washington, D.C.

HON. PAT McNAMARA,
Chairman, Subcommittee on Labor of the Senate Committee on Labor and Public Welfare, Washington, D.C.

DEAR SENATOR McNAMARA: This is with reference to a request from the subcommittee counsel for information regarding the application of H.R. 10786, the "Work Hours Act," to activities of the Department of Agriculture.

As you may know, the Department of Agriculture engages in a wide range of activities either directly as a contracting party or in-

directly through financial assistance to the contracting party. With respect to the former it is our understanding that some of these activities, including certain operations of the Commodity Credit Corporation under section 5 of the Corporation's Charter Act, have been determined administratively to be outside the scope of the 8-hour laws. It is our view that the language of H.R. 10786 does not change the present situation with respect to the application of the 8-hour laws to these direct contracts.

We would have no objection to stating this proposition as a part of the legislative history of the Work Hours Act. We would also have no objection to a similar statement regarding the application of the act to work which is assisted through loans or grants of the Department, unless it is performed—as provided in section 103(a)(3) of the act—under a “statute of the United States providing wage standards for such work.” Since there are apparently no loan or grant programs of this nature conducted by Agriculture at the present time, section 103(a)(3) would have no application to any existing programs of that Department.

It might be noted that section 105 of the act, which gives the Secretary of Labor general exemption authority, would permit—if not require—the adjustment of the application of the provisions of the act in accordance with the stated legislative policy. As a practical matter, the Secretary would have authority to provide exemptions in any case where he finds it necessary in the public interest to prevent injustice or undue hardship or to avoid impairment of the conduct of Government business. Given an expression of legislative intent that certain activities of the Department of Agriculture which are now exempt from the 8-hour laws should continue to be exempt from the Work Hours Act, we will grant such an exemption under the authority contained in section 105.

I hope this information will be helpful to you in clarifying the intended application of the act in these areas. If there is any further way we can be of assistance, please let me know.

Yours sincerely,

ARTHUR J. GOLDBERG,
Secretary of Labor.

The committee also considered other activities of the Department of Agriculture: including loans; grants; market development; service; research; programs conducted under section 32, chapter 641 of the act of August 24, 1935; marketing agreements; and similar activities, which have not been regarded by that Department as being covered by the 8-hour legislation, and many of which are carried out through cooperative agreements or arrangements. Unless the legislation under which these types of activities are conducted contains wage standards, it is not intended that they will be covered by the provisions of H.R. 10786.

It is only through section 103(a)(3) that such programs could possibly be covered, and since there are no statutes involving the Department of Agriculture which contain wage standards, within the meaning of section 103(a)(3), that section would have no application to present Agriculture Department activities. In this the Secretary of Labor, as can be seen in the third paragraph of his letter, also concurs.

Section 103(b) which exempts articles purchased in the open market omits the language "whether made to conform to particular specifications or not" contained in existing law. The omission of these words in this section is not intended and should not be construed as changing or making nonexempt purchases of supplies, materials, or articles under section 32, chapter 641 of the act of August 24, 1935, the Agricultural Act of 1949, as amended, the Commodity Credit Corporation Charter Act, the National School Lunch Act, as amended, the Agricultural Trade Development and Assistance Act of 1954, as amended, or other purchases made by the Department of Agriculture in carrying out its responsibilities which it determines are ordinarily available in the open market, merely because such supplies, materials, or articles are required by the contract of purchase to conform to general standards or characteristics.

TENNESSEE VALLEY AUTHORITY

The coverage provisions in section 103(a) (1) and (2) of the bill follow the Hours of Labor Acts of 1892 and 1912. This aspect of the coverage is thus intended to be identical to that which is provided for by the Hours of Labor Acts. Contracts requiring or involving the employment of laborers or mechanics to which the United States or any agency or instrumentality thereof is a party or is made for or on behalf of the United States or any agency or instrumentality thereof refers only to those contracts which are subject to hours limitations under the existing legislation from which the present bill is derived. Not included within the covered contracts are those contracts providing the sale of services, supplies, materials or articles by the United States or any of its agencies or instrumentalities. Sales of surplus power by the Tennessee Valley Authority to States, counties, municipalities, cooperative organizations of citizens or farmers, corporations and other individuals pursuant to section 10 of the TVA Act and not covered by the 1892 law, by the 1912 law or by the bill.

It should also be emphasized that the exemptions contained in section 103(b) have been drawn from the exemptions specified in the 1912 law. The language is substantially the same as that found in the present law. Thus contracts for the purchase of supplies or materials or articles as may usually be bought in the open market, are intended to be excluded from coverage of the bill as they are now excluded under existing law.

PUERTO RICO

In section 103(a), which outlines the new coverage of the bill, the term "territory" is used. Since Puerto Rico enjoys the constitutional status of a "Commonwealth," the committee intends that Puerto Rico shall not be included within the classification of "territory," but shall be considered as a State.

Section 105 of the bill grants the Secretary authority sufficiently broad to issue rules and regulations conforming the Federal standards with respect to hours of work and overtime compensation to the dollar limitations on coverage of such statutes as the Davis-Bacon Act and the Federal Airport Act.

Since the labor standards provided in the bill would be applicable only to contractors and subcontractors, its enactment would terminate

the application of the 1892 statute to employees of the Federal Government and the District of Columbia. For this reason a necessary amendment to existing legislation relating to Federal employees is included in section 201 of the bill.

Section 201 of the Work Hours Standards Act amends section 23 of the act of March 28, 1934 (5 U.S.C. 673c) to provide a standard 8-hour workday as well as a 40-hour workweek for employees whose wages are set in accordance with the provisions of section 23 (wage board employees). Work in excess of such daily or weekly standards would be permitted only upon the payment of time and one-half the basic rate of compensation. Employees whose overtime compensation is presently computed in accordance with section 23, including those whose basic rate of pay is fixed on an annual or monthly basis as provided in section 205 of the act of September 1, 1954 (5 U.S.C. 913), would be subject to the same overtime standards.

4. Coordination of enforcement by Federal agencies

Inasmuch as the proposed legislation would take the place of labor standards laws with respect to which the Secretary of Labor is given coordinating authority under Reorganization Plan No. 14 of 1950, a provision continuing this authority is included in the bill. There is also a provision affirming the applicability, in accordance with its terms, of section 2 of the Copeland Act, as amended, giving the Secretary of Labor certain authority to issue regulations for contractors and subcontractors on work of a character similar to that covered by the bill.

5. Administration and enforcement

The bill would make it clear that contractors and subcontractors responsible for violations will be liable to employees for the unpaid wages, as well as liable to the Government for liquidated damages in the amount of \$10 for each calendar day in which the employee is required to work in excess of the specified hours without payment of the statutory overtime compensation. This latter provision corresponds to the penalty provision of the 1912 act. A criminal penalty is provided for intentional violations, as is now done by the 1892 act.

The bill provides for the withholding by the Federal agency concerned of sums due a contractor in such amounts as are administratively determined to be necessary to satisfy liabilities for unpaid wages and liquidated damages. Similar withholding of funds is now authorized under existing law and standard contract provisions.

Subsection 104(a) of the bill provides that the amounts of unpaid wages and liquidated damages owing under the provisions of the bill, as administratively determined by the agencies, shall be withheld for the use and benefit of the United States in the case of the liquidated damages and for the use and benefit of the laborers and mechanics with respect to unpaid wages. The bill authorizes the Comptroller General to make direct payments from such withheld sums to the wage claimants. However, this authority is limited only to those cases involving claims customarily handled through the General Accounting Office. Federal corporations, such as the TVA, which are responsible for the disbursement of their own funds and which handle and settle their own claims will continue to do so under the provisions of this bill. It was deemed advisable not to disturb the existing procedures for the handling of claims against corporations

such as TVA, and for this reason it was concluded that no useful purpose would be served by requiring TVA to pay to the General Accounting Office the withheld sums. The committee intends that the TVA shall continue its disbursement procedures with respect to claims under this act.

If the amounts withheld are not sufficient to pay the underpaid workers the wages which are due them, the bill provides that such workers shall, in the case of a department or agency of the Federal Government, have a right of action and/or intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials. In such proceedings, the fact that the workers accepted or agreed to accept less than the required wages or voluntarily made refunds would not constitute a defense.

As is now the case under the 1912 act, contractors would have the right to appeal to the head of the agency for a review of the administrative determination of sums withheld for liquidated damages. The bill is somewhat less rigid with respect to liquidated damages than the 1912 act, which provides no relief from the \$5 a day "penalty" once violations are established, except by action of the President under authority limited to a very narrow category of situations. The bill provides that the agency head, in the event of appeal, may issue a final order affirming the administrative determination or, in the proper case, may recommend to the Secretary of Labor that an adjustment be made in liquidated damages or that the contractor be relieved of liability. It is provided that the Secretary of Labor may issue a final order affirming or rejecting this recommendation. Final orders of the agency head or the Secretary would be subject to judicial review by the Court of Claims upon a proper showing.

The existing provisions of the 8-hour law and 28 U.S.C. 1499, relating to the jurisdiction of the Court of Claims, provide in general that any person who is aggrieved by the withholding of the penalty for alleged violations of the 8-hour law and does not receive satisfaction through the prescribed administrative review may bring an action in the Court of Claims for recovery of the withheld penalties. This does not apply, however, to claims arising out of contracts made by the Tennessee Valley Authority, since 28 U.S.C. 1491 specifically excludes from jurisdiction of the Court of Claims "suits against, or founded on actions of, the Tennessee Valley Authority." TVA is, of course, subject to suit in its own name in the Federal district courts. The enactment of the "Work Hours Standards Act" to supersede the 8-hour law and the corresponding amendment of 28 U.S.C. 1499 are not intended to affect in any way TVA's exemption from Court of Claims jurisdiction. Any action by a contractor or subcontractor to recover penalties assessed under a TVA contract on account of alleged violations of the Contract Work Hours Standards Act would still be brought against TVA in the appropriate district court.

The bill, like the Walsh-Healey Public Contracts Act applicable to Federal supply contracts, would authorize the Secretary to issue regulations under which adjustments in the application of the act may be made in instances where he finds it "necessary and proper in the public interest to prevent injustice or undue hardship or to avoid serious impairment of the conduct of Government business."

SECTION-BY-SECTION ANALYSIS

Section 1

This section provides that the entire act may be cited as the "Work Hours Act of 1962." It also provides that title I of the act may be cited as the "Contract Work Hours Standards Act."

Section 2

This section provides that "this Act" means the Work Hours Act of 1962, except that where such term is used in title I it means the Contract Work Hours Standards Act.

TITLE I—CONTRACT WORK HOURS STANDARDS ACT

Section 101

This section provides that the term "Secretary," when used in this title, means the Secretary of Labor.

Section 102

Subsection (a) of this section, which is the basic provision of the act, requires that the wages of every laborer and mechanic employed by a contractor or subcontractor in his performance of work on any contract which is of a type described in section 103, be computed on the basis of a standard workday of 8 hours and a standard workweek of 40 hours, and that work in excess of such standard workday or workweek shall be permitted if, for each workweek in which the laborer or mechanic is so employed, his wages include compensation at a rate not less than 1½ times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or in excess of 40 hours in the workweek, as the case may be.

Subsection (b) of this section sets forth certain provisions which will be deemed a condition of contracts and obligations which section 103 specifies.

The first of these is a requirement that no contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic in any workweek in which he is employed in such work to work in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek without meeting the requirements of this act relating to overtime pay.

The second such provision deals with the liability of employers who violate the preceding requirement. Under this provision each contractor or subcontractor responsible for the violation will be liable to the affected employees for their unpaid wages and shall also be liable to the United States (or to the District of Columbia or a territory) for liquidated damages which will be computed at the rate of \$10 for each individual violation for each calendar day in which it occurs. The governmental agency concerned may withhold or cause to be withheld, subject to the provisions of section 104, from any moneys payable on account of work performed by the contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of the contractor or subcontractor for unpaid wages and liquidated damages.

Section 103

This section describes the contracts to which the act will apply: First, the act will apply to any contract which may require or involve

employment of laborers or mechanics on a public work of the United States (including any territory or the District of Columbia); second, to any other contract, requiring or involving the employment of laborers or mechanics if it is one (a) to which the United States (including any agency or instrumentality thereof, any territory, or the District of Columbia) is a party, (b) which is made for or on behalf thereof, or (c) which is a contract for work financed in whole or in part by loans or grants from the United States, or any of its agencies or instrumentalities, under a statute providing wage standards for such work. The act will apply to all laborers and mechanics, including watchmen and guards, employed by any contractor or subcontractor in the performance of any part of the work contemplated by the contract. A workman performing services in connection with dredging work or excavation in any river or harbor of the United States (including any territory or the District of Columbia) will be considered a "laborer or mechanic," but such term will not cover seamen.

Under subsection (b) of this section, and notwithstanding other provisions of the act, the act is made inapplicable to contracts for transportation, for the transmission of intelligence, or for the purchase of supplies or materials or articles ordinarily available in the open market. Similarly, the act will not apply with respect to work required to be done in accordance with the Walsh-Healey Public Contracts Act.

Section 104

This section requires inspectors of work performed under contracts subject to the act to report all violations to the proper official, together with information regarding such violations. The amount of unpaid wages and liquidated damages resulting from violations will be administratively determined and withheld, and the Comptroller General will pay directly to the laborers and mechanics, from the sums withheld on account of underpayment of wages, the amounts administratively determined to be due, if the funds withheld are adequate, and, if not, an equitable portion of such amounts.

Where the accrued payments withheld are insufficient to make the required reimbursements, the underpaid laborers and mechanics have, in the case of a department or agency of the Federal Government, the right of action and/or intervention against the contractor or his sureties conferred by law upon persons furnishing labor or materials.

Under subsection (c) a contractor or subcontractor aggrieved by the withholding of a sum as liquidated damages is given a right of appeal to the head of the agency involved. The agency head will have authority to review the administrative determination of liquidated damages and to issue a final order affirming the determination if he finds that it is correct. If he finds that the determination is incorrect or that the violation was inadvertent, notwithstanding exercise of due care, the agency head may recommend to the Secretary of Labor that an appropriate adjustment be made in the liquidated damages or that they be remitted. In such a case, the Secretary shall review the matter and issue a final order affirming or rejecting the recommendation. The contractor involved, except in the case of contracts with TVA, may file a claim in the Court of Claims within 60 days after a final order. The findings of fact, if supported by substantial evidence, will be conclusive in the proceedings in the Court of Claims.

Section 105

This section gives the Secretary of Labor certain authority to provide reasonable limitations and allow reasonable variations, tolerances, and exceptions from the requirements of the act in certain cases.

Section 106

This section makes intentional violations of the act a misdemeanor punishable by a fine of \$1,000 or imprisonment for not more than 6 months, or both, for each offense.

TITLE II—MISCELLANEOUS AND EFFECTIVE DATE

Section 201

This section amends section 23 of the act of March 28, 1934, to bring that act into conformity with the policy of title I of this act.

Section 202

This section amends the provisions of title 28 of the United States Code relating to the jurisdiction of the Court of Claims to give that court jurisdiction of claims for liquidated damages withheld under the Contract Work Hours Standards Act. The existing jurisdiction of that court is preserved with respect to certain contracts to which, under section 204, this act will not apply.

Section 203

This section repeals a number of statutes which contain provisions which are made unnecessary by this bill.

Section 204

This section provides that the act will take effect 60 days after its enactment but that it shall not affect any contract then existing or any contract entered into pursuant to invitation for bids which were outstanding when this act is enacted.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Section 23 of the Act of March 28, 1934 (48 Stat. 522; 49 Stat. 1969)

SEC. 23. The weekly compensation, minus any general percentage reduction which may be prescribed by Act of Congress, for the several trades and occupations, which is set by wage boards or other wage-fixing authorities, shall be reestablished and maintained at rates not lower than necessary to restore the full weekly earnings of such employees in accordance with the full-time weekly earnings under the respective wage schedules in effect on June 1, 1932: **[Provided,** That the regular hours of labor shall not be more than forty per week; and all overtime shall be compensated for at the rate of not less than time and one half] *Provided, That the regular hours of labor are hereby established at not more than eight per day or forty per week, but work in excess of such hours shall be permitted when administratively determined*

to be in the public interest: Provided further, That overtime work in excess of eight hours per day or in excess of forty hours per week shall be compensated for at not less than time and one-half the basic rate of compensation, except that employees subject to this section who are regularly required to remain at or within the confines of their post of duty in excess of eight hours per day in a standby or on-call status shall be paid overtime rates only for hours of duty, exclusive of eating and sleeping time, in excess of forty per week.

Where the adjustment of regular hours of duty of employees subject to the provisions of the preceding paragraph requires the adjustment of regular hours of duty of any employee whose compensation is fixed under the Classification Act of 1949, as amended, the aggregate weekly earnings of such employee whose compensation is fixed under the Classification Act of 1949, as amended, for full-time service shall not be less by reason of such adjustment than his aggregate weekly earnings for full-time service prior to March 28, 1934. Full-time service within the meaning of this paragraph shall not be less than forty hours per week. For the purposes of this paragraph, authority is hereby granted to adjust the hourly rates of compensation of employees whose compensation is fixed under the Classification Act of 1949, as amended, to such extent as may be necessary to make the aggregate compensation for a forty-hour week equal to the compensation for a full-time week prior to March 28, 1934.

Sections 892 and 893 of the Act of March 3, 1901 (31 Stat. 1334)

[SEC. 892. LIMITATION OF HOURS OF DAILY SERVICE FOR LABORERS AND MECHANICS ON PUBLIC WORKS.—The service and employment of all laborers and mechanics who are now or may hereafter be employed by the Government of the United States, by the District of Columbia, or by any contractor or subcontractor upon any of the public works of the United States or of the said District of Columbia, is hereby limited and restricted to eight hours in any one calendar day; and it shall be unlawful for any officer of the United States Government or of the District of Columbia, or any such contractor or subcontractor, whose duty it shall be to employ, direct, or control the service of such laborers or mechanics, to require or permit any such laborer or mechanic to work more than eight hours in any calendar day except in case of extraordinary emergency.

[SEC. 893. Any officer or agent of the Government of the United States or of the District of Columbia, or any contractor or subcontractor, whose duty it shall be to employ, direct, or control any laborer or mechanic employed upon any of the public works of the United States or of the District of Columbia who shall intentionally violate any provision of the last preceding section for each and every such offense shall be punished by a fine not to exceed one thousand dollars or by imprisonment for not more than six months, or both.]

Section 1499 of Title 28, United States Code

[§ 1499. Penalties imposed against contractors under eight hour law

[The Court of Claims shall have jurisdiction to render judgment upon any claim for a penalty withheld from a contractor or subcontractor under section 324 of title 40.]

§ 1499. *Liquidated damages withheld from contractors under Contract Work Hours Standards Act*

The Court of Claims shall have jurisdiction to render judgment upon any claim for liquidated damages withheld from a contractor or subcontractor under section 104 of the Contract Work Hours Standards Act.

Sections 1 and 2 of the Act of August 1, 1892, as Amended (27 Stat. 340; 37 Stat. 726)

[SECTION 1. That the service and employment of all laborers and mechanics who are now, or may hereafter, be employed by the Government of the United States or the District of Columbia, or by any contractor or subcontractor, upon a public work of the United States or of the District of Columbia, and of all persons who are now, or may hereafter be, employed by the Government of the United States or the District of Columbia, or any contractor or subcontractor, to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, is hereby limited and restricted to eight hours in any one calendar day; and it shall be unlawful for any officer of the United States Government or of the District of Columbia, or any such contractor or subcontractor whose duty it shall be to employ, direct, or control the services of such laborers or mechanics or of such persons employed to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, to require or permit any such laborer or mechanic or any such person employed to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, to work more than eight hours in any calendar day, except in case of extraordinary emergency: *Provided*, That nothing in this Act shall apply or be construed to apply to persons employed in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia while not directly operating dredging or rock excavating machinery or tools, nor to persons engaged in construction or repair of levees or revetments necessary for protection against floods or overflows on the navigable rivers of the United States.

[VIOLATION OF ACT BY OFFICER OR CONTRACTOR PUNISHABLE.

[SEC. 2. That any officer or agent of the Government of the United States or of the District of Columbia, or any contractor or subcontractor whose duty it shall be to employ, direct, or control any laborer or mechanic employed upon a public work of the United States or of the District of Columbia, or any person employed to perform services similar to those of laborers and mechanics in connection with dredging or rock excavation in any river or harbor of the United States or of the District of Columbia, who shall intentionally violate any provision of this Act, shall be deemed guilty of a misdemeanor, and for each and every such offense shall, upon conviction, be punished by a fine not to exceed one thousand dollars, or by imprisonment for not more

than six months, or by both such fine and imprisonment, in the discretion of the court having jurisdiction thereof.】

Act of June 19, 1912, as Amended (37 Stat. 137; 62 Stat. 989)

【An Act Limiting the hours of daily service of laborers and mechanics employed upon work done for the United States, or for any Territory, or for the District of Columbia, and for other purposes.

【*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That every contract hereafter made to which the United States, any Territory, or the District of Columbia is a party, and every such contract made for or on behalf of the United States, or any Territory, or said District, which may require or involve the employment of laborers or mechanics shall contain a provision that no laborer or mechanic doing any part of the work contemplated by the contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work; and every such contract shall stipulate a penalty for each violation of such provision in such contract of five dollars for each laborer or mechanic for every calendar day in which he shall be required or permitted to labor more than eight hours upon said work; and any officer or person designated as inspector of the work to be performed under any such contract, or to aid in enforcing the fulfillment thereof, shall, upon observation or investigation, forthwith report to the proper officer of the United States, or of any Territory, or of the District of Columbia, all violations of the provisions of this Act directed to be made in every such contract, together with the name of each laborer or mechanic who has been required or permitted to labor in violation of such stipulation and the day of such violation, and the amount of the penalties imposed according to the stipulation in any such contract shall be directed to be withheld for the use and benefit of the United States, the District of Columbia, or the Territory contracting by the officer or person whose duty it shall be to approve the payment of the moneys due under such contract, whether the violation of the provisions of such contract is by the contractor or any subcontractor. Any contractor or subcontractor aggrieved by the withholding of any penalty as hereinbefore provided shall have the right within six months thereafter to appeal to the head of the department making the contract on behalf of the United States or the Territory, and in the case of a contract made by the District of Columbia to the Commissioners thereof, who shall have power to review the action imposing the penalty, and in all such appeals from such final order whereby a contractor or subcontractor may be aggrieved by the imposition of the penalty hereinbefore provided, such contractor or subcontractor may, within six months after decision by such head of a department or the Commissioners of the District of Columbia, file a claim in the Court of Claims.

【SEC. 2. That nothing in this Act shall apply to contracts for transportation by land or water, or for the transmission of intelligence, or for the purchase of supplies by the Government, whether manufactured to conform to particular specifications or not, or for such materials or articles as may usually be bought in open market, except

armor and armor plate, whether made to conform to particular specifications or not, or to the construction or repair of levees or revetments necessary for protection against floods or overflows on the navigable waters of the United States: *Provided*, That all classes of work which have been, are now, or may hereafter be performed by the Government shall, when done by contract, by individuals, firms, or corporations for or on behalf of the United States or any of the Territories or the District of Columbia, be performed in accordance with the terms and provisions of section one of this Act. The President, by Executive order, may waive the provisions and stipulations in this Act as to any specific contract or contracts during time of war or a time when war is imminent, and until January first, nineteen hundred and fifteen, as to any contract or contracts entered into in connection with the construction of the Isthmian Canal. No penalties shall be imposed for any violation of such provision in such contract due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or to property, or by other extraordinary event or condition on account of which the President shall subsequently declare the violation to have been excusable. Nothin in this Act shall be construed to repeal or modify the Act entitled "An Act relating to the limitation of the hours of daily service of laborers and mechanics employed upon the public works of the United States and of the District of Columbia" being chapter three hundred and fifty-two of the laws of the Fifty-second Congress, approved August first, eighteen hundred and ninety-two as modified by the Acts of Congress approved February twenty-seventh, nineteen hundred and six, and June thirtieth, nineteen hundred and six, or apply to contracts which have been or may be entered into under the provisions of appropriation Acts approved prior to the passage of this Act.

[SEC. 3. That this Act shall become effective and be in force on and after January first, nineteen hundred and thirteen.]

That Portion of the Act of March 4, 1917 (39 Stat. 1192)

[That in case of national emergency the President is authorized to suspend provision of law prohibiting more than eight hours labor in any one day of persons engaged upon work covered by contracts with the United States: *Provided further*, That the wages of persons employed under such contracts shall be computed on a basic day rate of eight hours work, with overtime rates to be paid for at not less than time and one-half for all hours work in excess of eight hours.]

Section 303 of the Second Supplemental National Defense Appropriation Act, 1941 (54 Stat. 884)

[SEC. 303. Notwithstanding any other provision of law, the wages of every laborer and mechanic employed by any contractor or subcontractor engaged in the performance of any contract of the character specified in the Act of June 19, 1912 (37 Stat. 138; U.S.C., title 40, secs. 324, 325), shall be computed on a basic day rate of eight hours per day and work in excess of eight hours per day shall be permitted upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay.]

MINORITY VIEWS OF SENATORS BARRY GOLDWATER AND JOHN G. TOWER

Since 1935 it has been the continuous policy of the Federal Government to encourage free collective bargaining where the majority of employees voluntarily express their preference for this means of establishing the terms and conditions of their employment. During the severe economic emergency which prevailed prior to World War II in the 1930's, a number of laws were enacted establishing certain specified minimum terms and conditions of employment, particularly minimum wage rates and overtime restrictions. The most important of these were the Davis-Bacon Act, the Walsh-Healey Act, and the Fair Labor Standards Act.

These statutes, imposing certain specified terms and conditions of employment by governmental fiat, effectively removed these issues from the area of collective bargaining and thereby ran counter to the national policy of encouraging such bargaining. The justification for this deviation from national policy was alleged to be the severe economic depression and the smallness and weakness of the labor union movement, as well as the complete helplessness of the vast unorganized majority of wage workers and unemployed to improve wages and working conditions by their own efforts.

Despite their origin as emergency measures, and their inconsistency with national policy, the coverage of these laws has continuously down through the years, been broadened far beyond their original scope by new legislative enactments. Moreover, their emergency character has been disregarded by treating them as permanent legislation and some of the purposes for which they were first adopted have been transformed into their exact opposites. Thus, the provisions of the Fair Labor Standards Act requiring premium pay for overtime work were intended, when the law was enacted in 1938, to diminish the prevailing widespread unemployment by spreading the available work through penalizing, thereby discouraging, overtime employment. Today, premium wage payments for overtime work are regarded as a natural right and such work, instead of being discouraged, is eagerly sought after because of the increased wage income it produces. As a matter of fact, workers, in some instances have gone on strike to compel their employers to provide overtime work or to refrain from discontinuing it.

The committee bill constitutes a further step in this development. It eliminates an additional item which has hitherto been a subject of free, collective bargaining. It ignores the special circumstances which exist in some areas and which have been successfully accommodated through voluntary agreement between labor and management. If enacted, the committee bill would impose a further mechanical and rigid uniformity inadequate to deal with the diverse conditions which exist in various sections of the country. Examples are to be found in testimony submitted to the committee.

Labor unions are no longer the small, weak organizations of the depression and predepression eras. They have grown enormously both in size and strength and are fully capable of protecting the standards and working conditions of employees. It is our view that instead of narrowing the area of collective bargaining as the committee seeks to do by this bill, it would be more appropriate to the radically different conditions which prevail today for the committee to approve legislation restoring to the processes of free collective bargaining, many of the issues removed from these processes during the years of depression.

Procedurally, the committee bill will result in costly confusion. The 1961 amendments to the Fair Labor Standards Act subjected much of the construction industry to the 40-hour week overtime provisions of that law. The committee bill does the same. Hence, many contractors may well find themselves governed by several different legislative standards and enforcement procedures applicable to the same conduct.

Similarly, the committee bill results in a double standard of enforcement of the 8-hour overtime pay requirement as well, by imposing an enforcement procedure different from that presently applicable to the prevailing straight-time wage requirements. Hence, contractors will face one type of enforcement procedure on straight-time requirements, quite a different type on overtime after 8 hours, and still quite a different type of enforcement procedure on overtime after 40 hours. If the Congress really intended to simplify and clarify Federal wage and overtime standards, the committee bill is a signal failure.

The bill fails to provide any reasonably ascertainable standard of conduct but nevertheless imposes criminal and severe civil penalties for violations. A glaring example is the failure to define the "basic rate" which is the key term in the proposed measure.

In conclusion, we wish to call attention to the inconsistency involved in the support of this bill by an administration which professes to be seriously concerned to hold the line on both costs and prices. A rise in the former almost inevitably causes the latter to move up as well. The committee bill will inevitably increase costs in the building construction industry, particularly among the smaller enterprises which are not subject to the requirements of the Fair Labor Standards Act. These increases will be passed on to the public—both as consumers and taxpayers—and thus provide additional fuel to stoke the fires of inflation. For these reasons we are opposed to the enactment of the committee bill.

BARRY GOLDWATER.
JOHN G. TOWER.

○

Calendar No. 1681

87TH CONGRESS
2D SESSION

H. R. 10786

[Report No. 1722]

IN THE SENATE OF THE UNITED STATES

APRIL 17, 1962

Read twice and referred to the Committee on Labor and Public Welfare

JULY 11, 1962

Reported by Mr. McNAMARA, without amendment

AN ACT

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Work Hours Act of 1962"
4 and title I may be cited as the "Contract Work Hours
5 Standards Act".

6 SEC. 2. As used in this Act, the term "this Act" means
7 the Work Hours Act of 1962 except in title I, where it means
8 the Contract Work Hours Standards Act.

1 TITLE I—CONTRACT WORK HOURS STANDARDS
2 ACT

3 SEC. 101. As used herein, the term "Secretary" means
4 the Secretary of Labor, United States Department of Labor.

5 SEC. 102. (a) Notwithstanding any other provision of
6 law, the wages of every laborer and mechanic employed
7 by any contractor or subcontractor in his performance of
8 work on any contract of the character specified in section
9 103 shall be computed on the basis of a standard workday
10 of eight hours and a standard workweek of forty hours,
11 and work in excess of such standard workday or workweek
12 shall be permitted subject to the provisions of this section.
13 For each workweek in which any such laborer or mechanic
14 is so employed, such wages shall include compensation, at
15 a rate not less than one and one-half times the basic rate
16 of pay, for all hours worked in excess of eight hours in any
17 calendar day or in excess of forty hours in the workweek,
18 as the case may be.

19 (b) The following provisions shall be a condition of
20 every contract of the character specified in section 103 and
21 of any obligation of the United States, any territory, or
22 the District of Columbia in connection therewith:

23 (1) No contractor or subcontractor contracting for any
24 part of the contract work which may require or involve the
25 employment of laborers or mechanics shall require or permit

1 any laborer or mechanic, in any workweek in which he is
2 employed on such work, to work in excess of eight hours
3 in any calendar day or in excess of forty hours in such
4 workweek except in accordance with the provisions of this
5 Act; and

6 (2) In the event of violation of the provisions of para-
7 graph (1), the contractor and any subcontractor responsible
8 therefor shall be liable to such affected employee for his
9 unpaid wages and shall, in addition, be liable to the United
10 States (or, in the case of work done under contract for the
11 District of Columbia or a territory, to such District or to
12 such territory) for liquidated damages as provided therein.
13 Such liquidated damages shall be computed, with respect
14 to each individual employed as a laborer or mechanic in
15 violation of any provision of this Act, in the sum of \$10 for
16 each calendar day on which such individual was required or
17 permitted to work in excess of eight hours or in excess of the
18 standard workweek of forty hours without payment of the
19 overtime wages required by this Act. The governmental
20 agency for which the contract work is done or by which
21 financial assistance for the work is provided may withhold,
22 or cause to be withheld, subject to the provisions of section
23 104, from any moneys payable on account of work performed
24 by a contractor or subcontractor, such sums as may adminis-
25 tratively be determined to be necessary to satisfy any liabili-

ties of such contractor or subcontractor for unpaid wages and liquidated damages, as herein provided.

SEC. 103. (a) The provisions of this Act shall apply, except as otherwise provided, to any contract which may require or involve the employment of laborers or mechanics upon a public work of the United States, of any territory, or of the District of Columbia, and to any other contract which may require or involve the employment of laborers or mechanics if such contract is one (1) to which the United States or any agency or instrumentality thereof, any territory, or the District of Columbia is a party, or (2) which is made for or on behalf of the United States, any agency or instrumentality thereof, any territory, or the District of Columbia, or (3) which is a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work: *Provided*, That the provisions of section 102, shall not apply to work where the assistance from the United States or any agency or instrumentality as set forth above is only in that nature of a loan guarantee, or insurance. Except as otherwise expressly provided, the provisions of the Act shall apply to all laborers and mechanics, including watchmen and guards, employed by any contractor or subcontractor in the perform-

1 ance of any part of the work contemplated by any such
2 contract, and for purposes of this Act, laborers and mechanics
3 shall include workmen performing services in connection with
4 dredging or rock excavation in any river or harbor of the
5 United States or of any territory or of the District of Colum-
6 bia, but shall not include any employee employed as a
7 seaman.

8 (b) This Act shall not apply to contracts for transporta-
9 tion by land, air, or water, or for the transmission of intelli-
10 gence, or for the purchase of supplies or materials or articles
11 ordinarily available in the open market. This Act shall not
12 apply with respect to any work required to be done in ac-
13 cordance with the provisions of the Walsh-Healey Public
14 Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

15 SEC. 104. (a) Any officer or person designated as in-
16 specter of the work to be performed under any contract of
17 the character specified in section 103, or to aid in the en-
18 forcement or fulfillment thereof shall, upon observation or
19 investigation, forthwith report to the proper officer of the
20 United States, of any territory or possession, or of the
21 District of Columbia, all violations of the provisions of this
22 Act occurring in the performance of such work, together
23 with the name of each laborer or mechanic who was required
24 or permitted to work in violation of such provisions and the

1 day or days of such violation. The amount of unpaid wages
2 and liquidated damages owing under the provisions of this
3 Act shall be administratively determined and the officer or
4 person whose duty it is to approve the payment of moneys
5 by the United States, the territory, or the District of Colum-
6 bia in connection with the performance of the contract work
7 shall direct the amount of such liquidated damages to be with-
8 held for the use and benefit of the United States, said terri-
9 tory, or said District, and shall direct the amount of such un-
10 paid wages to be withheld for the use and benefit of the
11 laborers and mechanics who were not compensated as re-
12 quired under the provisions of this Act. The Comptroller
13 General of the United States is hereby authorized and di-
14 rected to pay directly to such laborers and mechanics, from
15 the sums withheld on account of underpayments of wages,
16 the respective amounts administratively determined to be
17 due, if the funds withheld are adequate, and, if not, an equi-
18 table proportion of such amounts.

19 (b) If the accrued payments withheld under the terms
20 of the contracts, as aforesaid, are insufficient to reimburse all
21 the laborers and mechanics with respect to whom there has
22 been a failure to pay the wages required pursuant to this
23 Act, such laborers and mechanics shall, in the case of a
24 department or agency of the Federal Government, have the
25 rights of action and/or of intervention against the contractor

1 and his sureties conferred by law upon persons furnishing
2 labor or materials, and in such proceedings it shall be no
3 defense that such laborers and mechanics accepted or agreed
4 to accept less than the required rate of wages or voluntarily
5 made refunds.

6 (c) Any contractor or subcontractor aggrieved by the
7 withholding of a sum as liquidated damages as provided in
8 this Act shall have the right, within sixty days thereafter, to
9 appeal to the head of the agency of the United States or of
10 the territory for which the contract work is done or by which
11 financial assistance for the work is provided, or to the Com-
12 missioners of the District of Columbia in the case of liqui-
13 dated damages withheld for the use and benefit of said Dis-
14 trict. Such agency head or Commissioners, as the case may
15 be, shall have authority to review the administrative deter-
16 mination of liquidated damages and to issue a final order
17 affirming such determination; or, if it is found that the sum
18 determined is incorrect or that the contractor or subcon-
19 tractor violated the provisions of this Act inadvertently not-
20 withstanding the exercise of due care on his part and that
21 of his agents, recommendations may be made to the Secre-
22 tary that an appropriate adjustment in liquidated damages
23 be made, or that the contractor or subcontractor be relieved
24 of liability for such liquidated damages. The Secretary shall
25 review all pertinent facts in the matter and may conduct

1 such investigations as he deems necessary, so as to affirm or
2 reject the recommendation. The decision of the Secretary
3 shall be final. In all such cases in which a contractor or
4 subcontractor may be aggrieved by a final order for the with-
5 holding of liquidated damages as hereinbefore provided, such
6 contractor or subcontractor may, within sixty days after such
7 final order, file a claim in the Court of Claims: *Provided,*
8 *however,* That final orders of the agency head, the Commis-
9 sioners in the District of Columbia or the Secretary, as the
10 case may be, shall be conclusive with respect to findings of
11 fact if such findings are supported by substantial evidence.

12 (d) Reorganization Plan Numbered 14 of 1950 (15
13 F.R. 3175; 64 Stat. 1267) shall be applicable with respect
14 to the provisions of this Act, and section 2 of the Act of
15 June 13, 1934, as amended (48 Stat. 948, 54 Stat. 1236,
16 63 Stat. 108; 40 U.S.C. 276c), shall be applicable with re-
17 spect to those contractors and subcontractors referred to
18 therein who are engaged in the performance of contracts
19 subject to the provisions of this Act.

20 SEC. 105. The Secretary may provide such reasonable
21 limitations and may make such rules and regulations allow-
22 ing reasonable variations, tolerances, and exemptions to and
23 from any or all provisions of this Act as he may find neces-
24 sary and proper in the public interest to prevent injustice or

1 undue hardship or to avoid serious impairment of the con-
2 duct of Government business.

3 SEC. 106. Any contractor or subcontractor whose duty
4 it shall be to employ, direct, or control any laborer or
5 mechanic employed in the performance of any work contem-
6 plated by any contract to which this Act applies, who shall
7 intentionally violate any provision of this Act, shall be
8 deemed guilty of a misdemeanor, and for each and every such
9 offense shall, upon conviction, be punished by a fine of not
10 to exceed \$1,000 or by imprisonment for not more than six
11 months, or by both such fine and imprisonment, in the dis-
12 cretion of the court having jurisdiction thereof.

13 TITLE II—MISCELLANEOUS AND EFFECTIVE
14 DATE

15 SEC. 201. The proviso of section 23 of the Act of March
16 28, 1934 (48 Stat. 509, 522), as amended, is hereby
17 amended to read as follows: "*Provided*, That the regular
18 hours of labor are hereby established at not more than
19 eight per day or forty per week, but work in excess of such
20 hours shall be permitted when administratively determined
21 to be in the public interest: *Provided further*, That overtime
22 work in excess of eight hours per day or in excess of forty
23 hours per week shall be compensated for at not less than
24 time and one-half the basic rate of compensation, except

1 that employees subject to this section who are regularly
2 required to remain at or within the confines of their post
3 of duty in excess of eight hours per day in a standby or
4 on-call status shall be paid overtime rates only for hours
5 of duty, exclusive of eating and sleeping time, in excess
6 of forty per week.”

7 SEC. 202. (a) Section 1499 of title 28, United States
8 Code, is hereby amended to read as follows:

9 **“§ 1499. Liquidated damages withheld from contractors**
10 **under Contract Work Hours Standards Act**

11 “The Court of Claims shall have jurisdiction to render
12 judgment upon any claim for liquidated damages withheld
13 from a contractor or subcontractor under section 104 of
14 the Contract Work Hours Standards Act.”

15 (b) The Court of Claims shall continue to have juris-
16 diction to render judgment upon any claim for a penalty
17 withheld from a contractor or subcontractor under section
18 324 of title 40, United States Code, in connection with any
19 contract subject to said section existing on the effective
20 date of this Act, or thereafter entered into pursuant to
21 invitations for bids that are outstanding at the time of the
22 enactment of this Act.

23 SEC. 203. The following statutes are hereby repealed:
24 Sections 1 and 2 of the Act of August 1, 1892 (27 Stat.
25 340; 40 U.S.C. 321, 322), as amended by the Act of March

1 3, 1913 (37 Stat. 726) ; sections 892 and 893 of the Act
2 of March 3, 1901 (31 Stat. 1334; D.C. Code, 1961 edition,
3 secs. 22-3407, 3408) ; the Act of June 18, 1912 (37 Stat.
4 137; 40 U.S.C. 324, 325), as amended by the Act of June
5 25, 1948 (62 Stat. 989) ; that portion of the Naval Service
6 Appropriation Act, 1918 (Act of March 4, 1917, 39 Stat.
7 1192), which is codified as section 326 of title 40 of the
8 United States Code (1952 edition) ; and section 303 of the
9 Second Supplemental Defense Appropriations Act, 1941 (54
10 Stat. 884; 40 U.S.C. 325a). The provisions of such statutes
11 shall, notwithstanding, continue to apply with respect to
12 contracts existing on the effective date of this Act or entered
13 into pursuant to invitations for bids that are outstanding at
14 the time of the enactment of this Act.

15 SEC. 204. This Act shall take effect sixty days after
16 its enactment, but shall not affect any contract then existing
17 or any contract that may thereafter be entered into pursuant
18 to invitations for bids that are outstanding at the time of the
19 enactment of this Act.

Passed the House of Representatives April 16, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

[Report No. 1722]

AN ACT

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

APRIL 17, 1962

Read twice and referred to the Committee on Labor and Public Welfare

JULY 11, 1962

Reported without amendment

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued July 26, 1962
For actions of July 25, 1962
87th-2d, No. 127

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HIGHLIGHTS: Senate committee reported farm bill. Sen. Proxmire commended bill as reported. Senate committee reported Baker nomination. House passed USDA appropriation bill. Sen. Humphrey urged enactment of Youth Conservation Corps bill. Sen. Humphrey and several Representatives commended service of McGovern as food-for-peace director. Rep. Johnson inserted Secretary's statement on CED plan for agriculture. House agreed to conference report on Treasury-Post Office appropriation bill. Rep. Cooley urged adoption of his resolution to increase period in which hearings and (Highlights continued on page 5)

SENATE

1. FARM PROGRAM. The Agriculture and Forestry Committee reported with amendment H. R. 12391, the new farm bill (S. Rept. 1787) (p. 13645). The "Daily Digest" states that the bill as reported provides as follows: "The bill would (1) contain provisions for land-use adjustments, (2) provide amendments to P. L. 480 (Agricultural Trade Development and Assistance Act), (3) extend for 1 year special feed grain program (4) provide a permanent certificate program for wheat, (5) include amendments on agricultural credit, and (6) provide a research program on industrial uses of agricultural commodities. The bill, as approved, is identical with the bill reported by the committee on April 27, 1962, with the exception of the wheat provisions."

Sen. Proxmire commended the bill as reported by the committee and stated that "it would be a tragic mistake for the Senate to reverse the action of the Senate Committee on Agriculture and Forestry by going back to the administration provision for feed grains." pp. 13733-6

2. NOMINATION. The Agriculture and Forestry Committee reported the nomination of John Baker to be an Assistant Secretary of Agriculture and member of the CCC Board of Directors. p. 13643
3. FOOD FOR PEACE. Sen. Humphrey commended the service of George McGovern as food for peace Director and inserted correspondence between McGovern and the President upon his resignation from that position. pp. 13741-3
Sen. Humphrey commended the appointment of Richard W. Reuter as food for peace Director and inserted a biographical sketch of his career. p. 13743
4. YOUTH CONSERVATION CORPS. Sen. Humphrey urged enactment of legislation for the establishment of a Youth Conservation Corps and inserted a report of the national convention of juvenile court judges endorsing the proposal. pp. 13744-6
5. PUBLICATION. Agreed to the House amendment to H. R. 8141, to amend the laws relating to depository libraries so as to provide for expansion in their number and to improve procedures and conditions for the selection, supply, retention, and disposal of Government publications furnished these libraries for public information. This bill will now be sent to the President. p. 13683
6. FLOOD CONTROL. Passed as reported S. 3066, to direct the Housing and Home Finance Administration to undertake a study of alternative programs to help provide financial assistance to victims of future flood disasters. pp. 13699-13700
7. CONTRACTS. Passed without amendment H. R. 10786, to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the U. S., any territory, or D. C. This bill will now be sent to the President. pp. 13727-9
8. MARKETING. The Special Fair Trade Subcommittee of the Commerce Committee approved for full committee consideration with amendments S. J. Res. 159, the proposed Quality Stabilization Act relative to the identification of goods in commerce by distinguishing brands, names, or trademarks. p. D633
9. TRANSPORTATION. Sen. Carlson inserted several local Chamber of Commerce resolutions favoring enactment of legislation to exempt certain carriers from minimum rate regulation. pp. 13644-5
10. PUBLIC LANDS. Agreed to without amendment S. Res. 361, authorizing a study of the disposition of revenues from natural resources from Federal lands. The measure was reported earlier in the day by the Rules and Administration Committee (S. Rept. 1783). pp. 13645, 13729-30
11. ELECTRIFICATION. The Interior and Insular Affairs Committee reported with amendment S. 594, to authorize construction of the Crater-Long Lakes division of the Snettisham project, Alaska (S. Rept. 1786). p. 13645
12. STOCKPILING. Received from the Joint Committee on Reduction of Nonessential Federal Expenditures a report on Federal stockpile inventories for April 1962, including CCC commodity inventories. pp. 13646-54
13. CONGRESSIONAL ADJOURNMENT. Sen. Morse urged that Congress adjourn by Sept. 1 and return after the Nov. elections, if necessary, to consider any unfinished business. Sen. Proxmire endorsed Sen. Morse's remarks. pp. 13661-2
14. BUDGET. Sen. Miller inserted an article by Maurice Stans, "Is the Federal Budget Obsolete?" pp. 13664-5

flood control project, to the Sid Simpson flood control project was considered, ordered to a third reading, read the third time, and passed.

MR. MANSFIELD. Mr. President, that is as far on the Legislative Calendar as the leadership desires to go.

DUTY ON CERTAIN ALUMINA AND BAUXITE

The Senate resumed the consideration of the bill (H.R. 9520) to continue for 2 years the suspension of duty on certain alumina and bauxite.

MR. MANSFIELD. Mr. President, has the Senate now returned to the consideration of Calendar No. 1677, House bill 9520, to continue for 2 years the suspension of duty on certain alumina and bauxite?

THE PRESIDING OFFICER (Mr. PELL in the chair). That is correct.

WORK HOURS ACT OF 1962

MR. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1681, House bill 10786.

THE PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of the bill (H.R. 10786) to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, which was ordered to a third reading, was read the third, and passed.

MR. MANSFIELD. Mr. President, I hope the Senate will be able to pass in so expeditious a manner other important bills. However, I move that the vote by which Calendar No. 1681, House bill 10786 was passed, be reconsidered.

MR. MORSE. Mr. President, I move to lay on the table the motion to reconsider.

MR. MANSFIELD. Mr. President, I point out that the passage of the bill at this point was an inadvertence; and I believe it only courteous to Senators who were not aware of the action taken that the motion to reconsider be agreed to.

MR. MORSE. I am sorry I did not understand that situation. I withdraw my motion.

MR. MANSFIELD. Mr. President, I have moved that the vote by which the bill was passed be reconsidered.

The motion was agreed to.

MR. McNAMARA. Mr. President, H.R. 10786 is one of the most justifiable bills that has come before the Senate Labor Subcommittee since I have been its chairman. It has three major purposes.

First, it codifies a series of laws that were passed between 1892 and 1940.

These laws have sought to establish an 8-hour day for work done under contract directly for the U.S. Government or under contracts to which the U.S. Government is a partner.

Second, it requires that, in addition to an 8-hour day on such contracts, employers must also limit their workers to a 40-hour week, after which overtime must be paid.

The hearings held by the Senate Labor Subcommittee revealed all too many instances in which contractors would observe an 8-hour day for their employees, but kept those workers on the job 7 days a week.

The 40-hour week standard is of such obvious merit that we have incorporated it into virtually all interstate commerce activities. I find it inconceivable that it is not now the standard for work done under Government auspices.

Third, the bill brings under the coverage of Federal work standards legislation a large number of activities which have been heretofore exempt. These newly covered activities are those which are financed by Federal loans and grants. Without the participation of the Federal Government in these programs,

many of them would not be in existence today. It is Federal leadership and financing which give each of them their major thrust. There is absolutely no reason why they should not be subject to the same 8-hour-day and 40-hour-week provisions that mark other types of Federal Government activity.

At this point I want to make it clear that those programs of the Federal Government which involve only loan guaranties or insurance are not covered by H.R. 10786.

Thus, such loan guaranty programs as FHA housing and GI housing are not covered.

At this point I ask unanimous consent to insert in the RECORD a table showing the Federal programs which would be brought under the coverage of work hours legislation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Federally assisted construction programs with wage standards

Program	Davis-Bacon	8-hour provision	40-hour provision	8- and 40-hour provision	Type of financing
Hospital survey and construction.....	X				Grants $\frac{1}{4}$ to $\frac{3}{4}$ of cost.
Federal airport.....	X				Grants to 50 percent of cost.
School (impacted areas).....	X				Formula grants.
Defense Housing and Community Facilities and Services Act, 1961.....		X			Loans and grants.
Federal Defense Act of 1950.....				X	50-percent grants.
Area Redevelopment Act of 1961.....				X	Loans to 65 percent of cost of project grants necessary to complete project. Commission authorized to negotiate for available financing.
Delaware River Basin compact.....				X	50- to 90-percent grants.
Federal-aid highway, Interstate System only.....	X				
Water Pollution Control Act.....	X				30-percent grants.
Housing Act of 1949, slum clearance and urban renewal.....	X				Loans of 100 percent of cost, grant up to $\frac{3}{4}$ cost.
Housing Act of 1950, college housing.....			X		Loans of 100 percent of cost.
Housing Act of 1959, for elderly.....	X				Loans of 98-percent of cost.
U.S. Housing Act of 1937, low-rent public housing.....	X				Loans of not more than 90-percent of cost.

MR. McNAMARA. Mr. President, during our consideration of this bill some questions were asked as to the application of the bill to Federal highway construction assistance.

I want to emphasize that only one phase of Federal highway activity is covered by H.R. 10786, and that is the program best known as the Federal interstate program.

There is no coverage of the so-called ABC program or other secondary assistance activities.

The support for this bill, as can be seen in the hearings conducted by both Houses of Congress, can only be described as overwhelming. The major employer and employee organizations in the construction industry supported the measure. It was part of the legislative program of former President Eisenhower, just as it is part of the legislative program of President Kennedy.

Perhaps the greatest evidence of the bill's merit is found in the fact that it is one of the rare pieces of legislation that passed the House of Representatives under a suspension of rules.

H.R. 10786 is a counterpart to S. 1394, a bill introduced by the assistant majority leader and the assistant minority leader, Senators HUMPHREY and KUCHEL.

It is my hope that we can quickly enact this measure and send it to the President for his signature.

MR. HILL. Mr. President, will the Senator yield?

MR. McNAMARA. I yield.

MR. HILL. Some of my constituents have asked me whether or not H.R. 10786 would, in any way, change the present policies of the Department of Agriculture as they relate to the contracts which they make in several of their major programs.

I should like to ask the Senator whether the present arrangements made by the Commodity Credit Corporation for the storage of commodities would be affected.

MR. McNAMARA. The policies which guide the Commodity Credit Corporation in the writing of contracts for the storage of agricultural commodities will not be changed by H.R. 10786.

I call the Senator's attention to pages 4 through 6 of Senate Report No. 1722. On those pages are contained two letters which fully explain this problem and the proposed actions which will solve the problem. One is a letter from Secretary of Agriculture Freeman, which states that they have regarded such contracts as being outside of present work stand-

ards legislation, and they will continue to do so if H.R. 10786 is enacted. They will, however, ask the Secretary of Labor for an exemption under section 105 of H.R. 10786.

The letter from Secretary of Labor Goldberg states the Department of Labor's agreement with Secretary Freeman's position, and states that the Department will grant an exemption as requested by the Department of Agriculture. I should like to add this. The means by which these commodities are stored justifies such an exemption.

At the outset of any commodities storage agreement, title to the commodity rests with the grower. It is the grower who makes the original contract with the warehouse. It is not until the farmer places his crop under a loan agreement with the Department of Agriculture and elects to keep his loan and turn over title to the Department that the Department becomes the owner of the commodity. Prior to that time, the only participation which the Department has had in the storage process has been to certify the warehouse.

For that reason, the Committee on Labor and Public Welfare clearly intends that H.R. 10786 shall not affect the present storage arrangements of the Department of Agriculture.

Mr. HILL. As the Senator knows, the Department of Agriculture carries on a large number of other activities which involve the writing of contracts. These involve research, loans, and grants to some types of farm construction, and a wide variety of other programs. I ask the Senator if he would make clear the relationship between these programs and H.R. 10786.

Mr. McNAMARA. I would first call the Senator's attention to the last two paragraphs on page 6 of the committee report.

I know of no programs conducted by the Department of Agriculture which contain wage standards. As a consequence, there would be no way in which they would be covered by H.R. 10786.

I might add that the Secretary of Labor agrees with this conclusion, as he has pointed out in the third paragraph of his letter.

Mr. HILL. I should like to further inquire of the Senator what the new language in section 103(b) means as it relates to purchases, on the open market, by the Department of Agriculture.

Mr. McNAMARA. I call the Senator's attention to the first paragraph on page 7 of the Senate report.

There is no intent that the purchase programs of the Department of Agriculture, as they are enumerated on page 7, be changed by the enactment of H.R. 10786. So long as the Department of Agriculture determines that these products are ordinarily available on the open market, they will not be affected by H.R. 10786, even though they must conform to general standards or characteristics.

Mr. HILL. The Senator is well aware that H.R. 10786 authorizes the Comptroller General to make direct payments to wage claimants.

The Tennessee Valley Authority, a Federal corporation, is responsible for

the disbursement of its own funds. It does not rely upon the Comptroller General for its fiscal authority. Am I correct in my assumption that H.R. 10786 would not affect this procedure and that TVA would continue its present disbursement procedures?

Mr. McNAMARA. The Senator is quite correct. H.R. 10786 would not change that procedure and the TVA would continue to reimburse claimants under the wage standards law without recourse to the Comptroller General.

Mr. HILL. I have another question relating to H.R. 10786 and its application to the court in which claims will be brought involving TVA. H.R. 10786 vests jurisdiction in the Court of Claims. However, the TVA is specifically excluded from the jurisdiction of the Court of Claims under 28 U.S.C. 1491. Claims may be brought against the TVA only in the Federal district court. I ask the Senator whether enactment of H.R. 10786 would continue TVA's exemption from Court of Claims jurisdiction.

Mr. McNAMARA. The Senator again is quite correct. This bill would in no way affect the jurisdictional exemption accorded TVA. Suits under this act involving the TVA will not be brought in the Court of Claims but rather in the appropriate Federal district court.

Mr. TOWER rose.

Mr. McNAMARA. Mr. President, I am happy to yield now to a distinguished member of the subcommittee, the Senator from Texas [Mr. Tower].

Mr. TOWER. Mr. President, H.R. 10786 is one more piece of proposed legislation which would further intrude the Federal Government in the field of labor-management relations, to the extent that an important issue in the field of collective bargaining would be removed from the area of collective bargaining. I believe the bill to be unnecessary, Mr. President. It is my hope that it will be defeated.

I ask unanimous consent that the minority views, as contained in the committee report, subscribed to by the junior Senator from Arizona [Mr. Goldwater] and myself, may be printed in the RECORD.

There being no objection, the minority views were ordered to be printed in the RECORD, as follows:

MINORITY VIEWS OF SENATORS BARRY GOLDWATER AND JOHN G. TOWER

Since 1935 it has been the continuous policy of the Federal Government to encourage free collective bargaining where the majority of employees voluntarily express their preference for this means of establishing the terms and conditions of their employment. During the severe economic emergency which prevailed prior to World War II in the 1930's, a number of laws were enacted establishing certain specified minimum terms and conditions of employment, particularly minimum wage rates and overtime restrictions. The most important of these were the Davis-Bacon Act, the Walsh-Healey Act, and the Fair Labor Standards Act.

These statutes, imposing certain specified terms and conditions of employment by governmental fiat, effectively removed these issues from the area of collective bargaining and thereby ran counter to the national policy of encouraging such bargaining. The justification for this deviation from national

policy was alleged to be the severe economic depression and the smallness and weakness of the labor union movement, as well as the complete helplessness of the vast unorganized majority of wage workers and unemployed to improve wages and working conditions by their own efforts.

Despite their origin as emergency measures, and their inconsistency with national policy, the coverage of these laws has continuously down through the years, been broadened far beyond their original scope by new legislative enactments. Moreover, their emergency character has been disregarded by treating them as permanent legislation and some of the purposes for which they were first adopted have been transformed into their exact opposites. Thus, the provisions of the Fair Labor Standards Act requiring premium pay for overtime work were intended, when the law was enacted in 1938, to diminish the prevailing widespread unemployment by spreading the available work through penalizing, thereby discouraging, overtime employment. Today, premium wage payments for overtime work are regarded as a natural right and such work, instead of being discouraged is eagerly sought after because of the increased wage income it produces. As a matter of fact, workers, in some instances have gone on strike to compel their employers to provide overtime work or to refrain from discontinuing it.

The committee bill constitutes a further step in this development. It eliminates an additional item which has hitherto been a subject of free, collective bargaining. It ignores the special circumstances which exist in some areas and which have been successfully accommodated through voluntary agreement between labor and management. If enacted, the committee bill would impose a further mechanical and rigid uniformity inadequate to deal with the diverse conditions which exist in various sections of the country. Examples are to be found in testimony submitted to the committee.

Labor unions are no longer the small, weak organizations of the depression and predepression eras. They have grown enormously both in size and strength and are fully capable of protecting the standards and working conditions of employees. It is our view that instead of narrowing the area of collective bargaining as the committee seeks to do by this bill, it would be more appropriate to the radically different conditions which prevail today for the committee to approve legislation restoring to the processes of free collective bargaining, many of the issues removed from these processes during the years of depression.

Procedurally, the committee bill will result in costly confusion. The 1961 amendments to the Fair Labor Standards Act subjected much of the construction industry to the 40-hour week overtime provisions of that law. The committee bill does the same. Hence, many contractors may well find themselves governed by several different legislative standards and enforcement procedures applicable to the same conduct.

Similarly, the committee bill results in a double standard of enforcement of the 8-hour overtime pay requirement as well, by imposing an enforcement procedure different from that presently applicable to the prevailing straight-time wage requirements. Hence, contractors will face one type of enforcement procedure on straight-time requirements, quite a different type on overtime after 8 hours, and still quite a different type of enforcement procedure on overtime after 40 hours. If the Congress really intended to simplify and clarify Federal wage and overtime standards, the committee bill is a signal failure.

The bill fails to provide any reasonably ascertainable standard of conduct but nevertheless imposes criminal and severe civil

penalties for violations. A glaring example is the failure to define the "basic rate" which is the key term in the proposed measure.

In conclusion, we wish to call attention to the inconsistency involved in the support of this bill by an administration which professes to be seriously concerned to hold the line on both costs and prices. A rise in the former almost inevitably causes the latter to move up as well. The committee bill will inevitably increase costs in the building construction industry, particularly among the smaller enterprises which are not subject to the requirements of the Fair Labor Standards Act. These increases will be passed on to the public—both as consumers and taxpayers—and thus provide additional fuel to stoke the fires of inflation. For these reasons we are opposed to the enactment of the committee bill.

Mr. HUMPHREY. Mr. President, I am pleased that the "Work Hours Act of 1962" will soon be enacted into law. I was proud to be the sponsor, along with Senator KUCHEL, of California, of the companion Senate measure, S. 1394.

This legislation is a long-needed revision and unification of the various 8-hour day laws, some of which go back as far as 1892 and have not been revised or unified since 1940.

This bill provides for a single general hours act establishing standards for hours of work and overtime pay for laborers and mechanics employed under U.S. Government contracts or under federally assisted programs.

The major provision of the pending bill would be to plug a glaring loophole in the present 8-hour laws which require the payment of time and a half to laborers and mechanics employed by contractors on Federal Government construction projects for all hours worked in excess of 8 hours a day. Most contractors who perform Government contract work have adopted the 40-hour workweek standard similar to that established by the Congress for Federal employment. There are, however, some contractors performing Federal work who require their employees to work 8 hours a day, 7 days a week, and under present law are not required to pay them any overtime compensation. In other words, employees on such projects can be working up to 56 hours a week with no overtime compensation.

The bill we are considering closes this loophole by requiring the payment of overtime at the minimum rate of time and a half for all hours worked over 40 hours a week.

Another important feature of the bill is to make the present 8-hour laws' standards applicable to those federally financed and assisted contracts with respect to which Federal legislation provides for the payment of prevailing or minimum wages. The present 8-hour laws only cover work contracted on directly by the Government. Today, however, many non-Federal agencies now do the actual contracting for work which is financed in whole or in part by the Federal Government.

Mr. President, the provisions in this bill are most moderate and sensible. What they do is simply bring the 8-hour work laws up to date. As a sponsor of this measure it is indeed heartening to see this bill passed today.

Mr. President, the Senator from Colorado [Mr. CARROLL] regrets that he was unable to be present on the Senate floor today for the consideration of H.R. 10786, the Work Hours Standard Act. He had prepared a statement on this bill which he had intended to present at the time this bill was considered by the Senate. I ask unanimous consent, Mr. President, that Senator CARROLL's statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CARROLL

A STEP FORWARD FOR THE WORKINGMAN

H.R. 10786 is a bill which I am pleased to support. Its passage into law will mark an important step forward in the continuing efforts to insure that U.S. Government moneys will not be used to perpetuate substandard wages or working conditions.

This measure has received wide bipartisan support and rightly so. It was recommended to the Congress by Presidents Eisenhower and Kennedy and was strongly endorsed by Secretaries of Labor Mitchell and Goldberg. This bill has received the full and careful attention of both the House Education and Labor Committee and the Senate Labor and Public Welfare Committee. Extensive hearings have been held. It was passed by the House April 16, 1962, and I am hopeful that Senators will pass it today without amendment so that it will shortly be signed into law.

Colorado has many Federal installations within its borders. The Federal Government plays a major role in the economy of my State.

The nerve center of the North American Air Defense Command is located at Ent Air Force Base. Camp Carson and the Air Force Academy are located in Colorado Springs. There are missile bases in my State, and there are missile factories. The Atomic Energy Commission has extensive operations. Federal programs of aid for housing, schools, hospitals, and public works are important to the community life of Colorado. Huge irrigation and reclamation works are a vital part of our economy.

It is clear that the Federal Government does much of benefit in and for Colorado. It is equally clear, I believe, that Federal employment work standards must not be allowed to depress or cause detrimental effect to the standards prevailing in the State.

For many years law has required an 8-hour day for work done under Government contract. There has been no corresponding requirement concerning workweek limitations. This lack will be met by H.R. 10786 which we are considering today.

This bill provides a straight-time workweek of 40 hours for all laborers and mechanics employed in work done under contract for, or with, the financial aid of the Federal Government.

If overtime is required, this bill provides that not less than time and a half shall be paid.

This bill also codifies within a single statute the many confusing, sometimes overlapping Federal laws which now exist in this area. Its provisions are simple and clear. They apply in the same way to all contractors and subcontractors who come within the coverage of this bill.

I believe that anyone who gives this bill his careful thought and attention will, in simple justice, support its provisions. I urge prompt passage of H.R. 10786.

Mr. McNAMARA. Mr. President, I ask that the bill be read the third time and passed.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 10786) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McNAMARA. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

STUDY OF EQUITY INVOLVED IN ROYALTY ON MINERAL PRODUCTION ON FEDERALLY OWNED LANDS

Mr. MANSFIELD. Mr. President, with the consent of the Senator from Delaware [Mr. WILLIAMS], who is waiting patiently, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 361, reported by the Committee on Rules and Administration today.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The legislative clerk read the resolution, as follows:

Resolved, That the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified in rule XXV of the Standing Rules of the Senate to make a full and complete investigation and study (including the holding of public hearings in appropriate parts of the Nation) of (1) past and expected future revenues from the public lands, including natural resources, and the use of such revenues, and (2) the use of money in the Reclamation Fund and plans for such use in the future and the amounts of money which will be needed to carry out such plans, for the purpose of determining what changes, if any, should be made in the use of such revenues, including changes in the portions of such revenues which are paid to State or local governments.

Sec. 2. For the purposes of this resolution the committee is authorized through January 31, 1963, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis technical, clerical, and other assistants and consultants; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

Sec. 3. The committee shall report its finding, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date.

Sec. 4. The expenses of the committee under this resolution, from the date of its agreement through January 31, 1963, shall not exceed \$10,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The resolution is open to amendment. If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution (S. Res. 361) was agreed to.

DUTY ON CERTAIN ALUMINA AND BAUXITE

The Senate resumed the consideration of the bill (H.R. 9520) to continue for 2 years the suspension of duty on certain alumina and bauxite.

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is H.R. 9520, relating to the temporary suspension of duty on certain alumina and bauxite.

Mr. MANSFIELD. Mr. President, the bill would provide for the temporary free importation of alumina and bauxite.

The production of aluminum involves two main operations—the production of alumina from the crude ore, called bauxite, and the production of aluminum from the alumina.

There is a great and growing need in the United States for alumina and baux-

ite to sustain our expanding aluminum industry. Our domestic output is far short of our needs in this raw material. If we restrict the importation of the ore we promote the importation of finished products and reduce our employment and production here.

The committee, however, has granted this free entry privilege for only 2 years at a time so that a close watch could be kept on developments. Free entry was accorded this raw material for the first time in 1956, and, by successive actions, it has been entering free since that time.

Without passage of this bill the price of aluminum would probably increase and the shipment of aluminum to the United States would likely be more in the form of finished products.

The Government departments favor the continuation of the free entry privilege and no industry objections have been made known to the committee. I move the adoption of the bill.

Mr. WILLIAMS of Delaware. Mr. President, when the exemption was first authorized I supported it as a member of the committee and as a Member of the Senate. The need for the suspension of duty has long since passed.

Today the U.S. Government owns about \$400 million worth of aluminum,

for which it has little use. This aluminum is in the stockpile. At the moment another Senate committee is considering a bill to determine how we can get rid of the excess stockpile. The pending proposal is in direct contradiction to the other proposed action.

The Senator from Montana has stated that the price of aluminum would probably increase if the bill were defeated.

There is approximately \$400 million worth of aluminum in the stockpile. We do not need this much. I think we ought to be selling some of it. We could maintain the market better in that way.

The present proposal is in direct contradiction to what is sought to be done at this time in regard to the stockpile.

I ask unanimous consent to have printed in the RECORD, two tables which show the manner in which imports have increased rapidly in the past 2 or 3 years. I invite particular attention to the fact that in the first 11 months of calendar year 1961, the imports were more than double those for the full calendar year 1960.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 3.—Alumina (aluminum oxide) duty free when imported for use in producing aluminum: ¹ U.S. imports for consumption, by countries, 1957-60, and January-November 1961

Country	1957	1958	1959 ²	1960 ²	January-November 1961 ²	Country	1957	1958	1959 ²	1960 ²	January-November 1961 ²
Quantity (thousand pounds)						Foreign value					
Japan.....		73,572	252,408	172,219	203,178	Canada ³	\$23,488	\$1,047,800			
Jamaica.....					129,975	France.....	2,395				
Western Africa, n.e.c.....					26,455	Total.....	30,914	3,505,663	\$8,507,640	\$5,666,832	\$10,773,452
West Germany.....	1		2,219	3,380		Unit value (cents per pound)					
Austria.....	70		50			Japan.....		3.3	3.3	3.2	3.0
Canada ³	523	30,880				Jamaica.....					3.0
France.....	5					Western Africa, n.e.c.....					2.9
Total.....	599	104,452	254,677	175,598	359,608	West Germany.....	154.0		5.0	5.0	
Foreign value						Austria.....	5.0		5.3		
Japan.....		\$2,457,863	\$8,394,171	\$5,497,844	\$6,113,807	Canada ³	4.5	3.4			
Jamaica.....					3,897,645	France.....	48.0				
Western Africa, n.e.c.....					762,000	Average.....	5.2	3.3	3.3	3.2	3.0
West Germany.....	\$1,540		110,421	168,988							
Austria.....	3,491		2,648								

¹ Duty suspended during 2-year period beginning July 17, 1956 (Public Law 725, 84th Cong.); further suspended through July 15, 1960 (Public Law 415, 85th Cong.); further suspended through July 15, 1962 (Public Law 441, 86th Cong.).

² Preliminary.

³ Includes Newfoundland and Labrador.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TABLE 4.—Alumina and aluminum hydroxide or refined bauxite: ¹ U.S. imports for consumption, by principal sources, 1957-61, and January-November 1961

Country	1957	1958	1959 ²	1960 ²	January-November 1961 ²	Country	1957	1958	1959 ²	1960 ²	January-November 1961 ²
Quantity (thousand pounds)						Foreign value					
Japan ³		73,752	252,408	172,229	203,193	Japan ³		\$2,457,863	\$8,394,171	\$5,502,000	\$6,120,249
Jamaica.....					129,975	Jamaica.....					3,897,645
Western Africa, n.e.c.....					26,455	Western Africa, n.e.c.....					762,000
West Germany.....	75	358	3,580	3,508	118	West Germany.....	\$28,064	58,696	220,720	230,446	78,187
Austria.....	358	378	452	654	568	Austria.....	18,414	19,767	24,239	36,400	32,136
Canada ⁴	3,100	33,031	511	630	2,038	Canada ⁴	135,464	1,140,739	47,888	25,932	130,379
France.....	21	36	1,733	30	35	France.....	9,853	18,145	111,000	13,905	23,501
United Kingdom.....	6	10	39	15	4	United Kingdom.....	3,164	5,947	5,994	7,055	3,382
All other.....	6	6	11	1	16	All other.....	1,125	313	2,070	356	2,606
Total.....	3,566	107,391	258,734	177,067	362,402	Total.....	196,084	3,701,470	8,806,082	5,816,094	11,050,085

¹ Alumina or aluminum oxide has been held by a decision of the U.S. Court of Customs and Patent Appeals to be properly classifiable as refined bauxite (Treasury Decision 48769).

² Preliminary.

³ There were no imports from Japan prior to September 1958.

⁴ Includes Newfoundland and Labrador.

Source: Compiled from official statistics of the U.S. Department of Commerce.

H. CON. RES. 506

OF THE HOUSE OF REPRESENTATIVES

IN RESPONSE TO A RESOLUTION

OF THE SENATE

CONCURRENT RESOLUTION

1. Passed by the House of Representatives on the 1st day of

2. 1906

H. CON. RES. 506

IN THE SENATE OF THE UNITED STATES

JULY 27 (legislative day, JULY 26), 1962

Received

AUGUST 1 (legislative day, JULY 26), 1962

Considered and agreed to

CONCURRENT RESOLUTION

1 *Resolved by the House of Representatives (the Senate*
2 *concurring)*, That the Clerk of the House of Representa-
3 tives, in the enrollment of the bill (H.R. 10786) to establish
4 standards for hours of work and overtime pay of laborers
5 and mechanics employed on work done under contract for,
6 or with the financial aid of, the United States, for any terri-
7 tory, or for the District of Columbia, and for other purposes,
8 is authorized and directed to make the following change,
9 viz: On page 11, line 3, of the House engrossed bill, strike
10 out "June 18, 1912" and insert "June 19, 1912".

Passed the House of Representatives July 26, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

87TH CONGRESS
2^D Session

H. CON. RES. 506

CONCURRENT RESOLUTION

To correct an error in the enrollment of
H.R. 10786, the so-called Work Hours Act
of 1962.

JULY 27 (legislative day, JULY 26), 1962

Received

AUGUST 1 (legislative day, JULY 26), 1962

Considered and agreed to



Public Law 87-581
87th Congress, H. R. 10786
August 13, 1962

An Act

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Work Hours Act of 1962" and title I may be cited as the "Contract Work Hours Standards Act". Work Hours Act of 1962.

SEC. 2. As used in this Act, the term "this Act" means the Work Hours Act of 1962 except in title I, where it means the Contract Work Hours Standards Act.

TITLE I—CONTRACT WORK HOURS STANDARDS ACT

SEC. 101. As used herein, the term "Secretary" means the Secretary of Labor, United States Department of Labor. "Secretary".

SEC. 102. (a) Notwithstanding any other provision of law, the wages of every laborer and mechanic employed by any contractor or subcontractor in his performance of work on any contract of the character specified in section 103 shall be computed on the basis of a standard workday of eight hours and a standard workweek of forty hours, and work in excess of such standard workday or workweek shall be permitted subject to the provisions of this section. For each workweek in which any such laborer or mechanic is so employed, such wages shall include compensation, at a rate not less than one and one-half times the basic rate of pay, for all hours worked in excess of eight hours in any calendar day or in excess of forty hours in the workweek, as the case may be. Forty-hour week provision.

(b) The following provisions shall be a condition of every contract of the character specified in section 103 and of any obligation of the United States, any territory, or the District of Columbia in connection therewith:

(1) No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic, in any workweek in which he is employed on such work, to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek except in accordance with the provisions of this Act; and

(2) In the event of violation of the provisions of paragraph (1), the contractor and any subcontractor responsible therefor shall be liable to such affected employee for his unpaid wages and shall, in addition, be liable to the United States (or, in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages as provided therein. Liability of employers for violation.

Such liquidated damages shall be computed, with respect to each individual employed as a laborer or mechanic in violation of any provision of this Act, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by this Act. The governmental agency for which the contract work is done or by which financial assistance for the work is provided may withhold, or cause to be withheld, subject to the provisions of section 104, from any moneys payable on account of work performed by a contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any

76 STAT. 357.
76 STAT. 358.

Contracts,
applicability.

liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as herein provided.

SEC. 103. (a) The provisions of this Act shall apply, except as otherwise provided, to any contract which may require or involve the employment of laborers or mechanics upon a public work of the United States, of any territory, or of the District of Columbia, and to any other contract which may require or involve the employment of laborers or mechanics if such contract is one (1) to which the United States or any agency or instrumentality thereof, any territory, or the District of Columbia is a party, or (2) which is made for or on behalf of the United States, any agency or instrumentality thereof, any territory, or the District of Columbia, or (3) which is a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work: *Provided*, That the provisions of section 102, shall not apply to work where the assistance from the United States or any agency or instrumentality as set forth above is only in that nature of a loan guarantee, or insurance. Except as otherwise expressly provided, the provisions of the Act shall apply to all laborers and mechanics, including watchmen and guards, employed by any contractor or subcontractor in the performance of any part of the work contemplated by any such contract, and for purposes of this Act, laborers and mechanics shall include workmen performing services in connection with dredging or rock excavation in any river or harbor of the United States or of any territory or of the District of Columbia, but shall not include any employee employed as a seaman.

(b) This Act shall not apply to contracts for transportation by land, air, or water, or for the transmission of intelligence, or for the purchase of supplies or materials or articles ordinarily available in the open market. This Act shall not apply with respect to any work required to be done in accordance with the provisions of the Walsh-Healey Public Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

SEC. 104. (a) Any officer or person designated as inspector of the work to be performed under any contract of the character specified in section 103, or to aid in the enforcement or fulfillment thereof shall, upon observation or investigation, forthwith report to the proper officer of the United States, of any territory or possession, or of the District of Columbia, all violations of the provisions of this Act occurring in the performance of such work, together with the name of each laborer or mechanic who was required or permitted to work in violation of such provisions and the day or days of such violation. The amount of unpaid wages and liquidated damages owing under the provisions of this Act shall be administratively determined and the officer or person whose duty it is to approve the payment of moneys by the United States, the territory, or the District of Columbia in connection with the performance of the contract work shall direct the amount of such liquidated damages to be withheld for the use and benefit of the United States, said territory, or said District, and shall direct the amount of such unpaid wages to be withheld for the use and benefit of the laborers and mechanics who were not compensated as required under the provisions of this Act. The Comptroller General of the United States is hereby authorized and directed to pay directly to such laborers and mechanics, from the sums withheld on account of underpayments of wages, the respective amounts administratively determined to be due, if the funds withheld are adequate, and, if not, an equitable proportion of such amounts.

(b) If the accrued payments withheld under the terms of the contracts, as aforesaid, are insufficient to reimburse all the laborers and

Coordination
of enforcement
by Federal
agencies.

76 STAT. 358.

76 STAT. 359.

mechanics with respect to whom there has been a failure to pay the wages required pursuant to this Act, such laborers and mechanics shall, in the case of a department or agency of the Federal Government, have the rights of action and/or of intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in such proceedings it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or voluntarily made refunds.

(c) Any contractor or subcontractor aggrieved by the withholding of a sum as liquidated damages as provided in this Act shall have the right, within sixty days thereafter, to appeal to the head of the agency of the United States or of the territory for which the contract work is done or by which financial assistance for the work is provided, or to the Commissioners of the District of Columbia in the case of liquidated damages withheld for the use and benefit of said District. Such agency head or Commissioners, as the case may be, shall have authority to review the administrative determination of liquidated damages and to issue a final order affirming such determination; or, if it is found that the sum determined is incorrect or that the contractor or subcontractor violated the provisions of this Act inadvertently notwithstanding the exercise of due care on his part and that of his agents, recommendations may be made to the Secretary that an appropriate adjustment in liquidated damages be made, or that the contractor or subcontractor be relieved of liability for such liquidated damages. The Secretary shall review all pertinent facts in the matter and may conduct such investigations as he deems necessary, so as to affirm or reject the recommendation. The decision of the Secretary shall be final. In all such cases in which a contractor or subcontractor may be aggrieved by a final order for the withholding of liquidated damages as hereinbefore provided, such contractor or subcontractor may, within sixty days after such final order, file a claim in the Court of Claims: *Provided, however*, That final orders of the agency head, the Commissioners of the District of Columbia or the Secretary, as the case may be, shall be conclusive with respect to findings of fact if such findings are supported by substantial evidence.

Right to
appeal.

(d) Reorganization Plan Numbered 14 of 1950 (15 F.R. 3175; 64 Stat. 1267) shall be applicable with respect to the provisions of this Act, and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, 54 Stat. 1236, 63 Stat. 108; 40 U.S.C. 276c), shall be applicable with respect to those contractors and subcontractors referred to therein who are engaged in the performance of contracts subject to the provisions of this Act.

72 Stat. 967.

SEC. 105. The Secretary may provide such reasonable limitations and may make such rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this Act as he may find necessary and proper in the public interest to prevent injustice or undue hardship or to avoid serious impairment of the conduct of Government business.

Limitations,
exemptions.

SEC. 106. Any contractor or subcontractor whose duty it shall be to employ, direct, or control any laborer or mechanic employed in the performance of any work contemplated by any contract to which this Act applies, who shall intentionally violate any provision of this Act, shall be deemed guilty of a misdemeanor, and for each and every such offense shall, upon conviction, be punished by a fine of not to exceed \$1,000 or by imprisonment for not more than six months, or by both such fine and imprisonment, in the discretion of the court having jurisdiction thereof.

Violations.

76 STAT. 359.

76 STAT. 360.

Penalty.

TITLE II—MISCELLANEOUS AND EFFECTIVE DATE

5 USC 673c.

SEC. 201. The proviso of section 23 of the Act of March 28, 1934 (48 Stat. 509, 522), as amended, is hereby amended to read as follows: "Provided, That the regular hours of labor are hereby established at not more than eight per day or forty per week, but work in excess of such hours shall be permitted when administratively determined to be in the public interest: *Provided further*, That overtime work in excess of eight hours per day or in excess of forty hours per week shall be compensated for at not less than time and one-half the basic rate of compensation, except that employees subject to this section who are regularly required to remain at or within the confines of their post of duty in excess of eight hours per day in a standby or on-call status shall be paid overtime rates only for hours of duty, exclusive of eating and sleeping time, in excess of forty per week."

62 Stat. 942.

SEC. 202. (a) Section 1499 of title 28, United States Code, is hereby amended to read as follows:

"§ 1499. Liquidated damages withheld from contractors under Contract Work Hours Standards Act

"The Court of Claims shall have jurisdiction to render judgment upon any claim for liquidated damages withheld from a contractor or subcontractor under section 104 of the Contract Work Hours Standards Act."

Ante, p. 358.

(b) The Court of Claims shall continue to have jurisdiction to render judgment upon any claim for a penalty withheld from a contractor or subcontractor under section 324 of title 40, United States Code, in connection with any contract subject to said section existing on the effective date of this Act, or thereafter entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

37 Stat. 137;
62 Stat. 989.

Repeals.

SEC. 203. The following statutes are hereby repealed: Sections 1 and 2 of the Act of August 1, 1892 (27 Stat. 340; 40 U.S.C. 321, 322), as amended by the Act of March 3, 1913 (37 Stat. 726); sections 892 and 893 of the Act of March 3, 1901 (31 Stat. 1334; D.C. Code, 1961 edition, secs. 22-3407, 3408); the Act of June 19, 1912 (37 Stat. 137; 40 U.S.C. 324, 325), as amended by the Act of June 25, 1948 (62 Stat. 989); that portion of the Naval Service Appropriation Act, 1918 (Act of March 4, 1917, 39 Stat. 1192), which is codified as section 326 of title 40 of the United States Code (1952 edition); and section 303 of the Second Supplemental Defense Appropriations Act, 1941 (54 Stat. 884; 40 U.S.C. 325a). The provisions of such statutes shall, notwithstanding, continue to apply with respect to contracts existing on the effective date of this Act or entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

Effective date.

SEC. 204. This Act shall take effect sixty days after its enactment, but shall not affect any contract then existing or any contract that may thereafter be entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

Approved August 13, 1962, 11:46 a.m.